#### Decree No. (33) of 2020

#### **Concerning the Special Tribunal for**

#### Unfinished and Cancelled Real Property Projects in the Emirate of Dubai<sup>1</sup>

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

After perusal of:

Federal Law No. (11) of 1992 Issuing the Civil Procedure Code, its Regulatory Bylaw, and their amendments;

Federal Law No. (6) of 2018 Concerning Arbitration;

Law No. (9) of 2004 Concerning the Dubai International Financial Centre and its amendments;

Law No. (7) of 2006 Concerning Real Property Registration in the Emirate of Dubai and its amendments;

Law No. (8) of 2007 Concerning Escrow Accounts for Real Property Developments in the Emirate of Dubai;

Law No. (13) of 2008 Regulating the Interim Real Property Register in the Emirate of Dubai and its amendments;

Law No. (13) of 2016 Concerning the Judicial Authorities in the Emirate of Dubai;

Law No. (4) of 2019 Concerning the Real Estate Regulatory Agency;

Decree No. (21) of 2013 Forming a Special Tribunal for Liquidation of Cancelled Real Property Projects in the Emirate of Dubai and Settlement of Associated Rights;

Decree No. (12) of 2018 Forming the Supreme Committee for Unfinished Real Property Projects in the Emirate of Dubai; and

Executive Council Resolution No. (6) of 2010 Approving the Implementing Bylaw of Law No. (13) of 2008 Regulating the Interim Real Property Register in the Emirate of Dubai,

#### Do hereby issue this Decree.

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<sup>&</sup>lt;sup>1</sup>Every 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.

## Definitions Article (1)

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

Emirate: The Emirate of Dubai.

Judicial Council: The Judicial Council of the Emirate.

DLD: The Land Department.

RERA: The Real Estate Regulatory Agency.

Tribunal: The Special Tribunal for Unfinished and Cancelled Real Property

Projects in the Emirate of Dubai.

Property Project: was suspended for reasons attributable to the Real Property

developer or purchaser, or for any other reason whatsoever.

Cancelled Real Property

Project:

A Real Property project that is cancelled based on any of the conditions warranting its cancellation pursuant to the legislation in force in the Emirate, or that has been referred to the Tribunal

but has not yet been liquidated.

## Applicability of this Decree to the Tribunal Article (2)

- a. The provisions of this Decree apply to the Special Tribunal for Liquidation of Cancelled Real Property Projects in the Emirate of Dubai and Settlement of Associated Rights formed pursuant to the above-mentioned Decree No. (21) of 2013.
- b. The name "Special Tribunal for Liquidation of Cancelled Real Property Projects in the Emirate of Dubai and Settlement of Associated Rights" is hereby replaced by "Special Tribunal for Unfinished and Cancelled Real Property Projects in the Emirate of Dubai ", wherever mentioned in any local legislation in force in the Emirate.

### Head Office of the Tribunal Article (3)

The head office of the Tribunal will be located at the DLD. The Tribunal may establish other offices within the Emirate pursuant to a resolution of the Chairman of the Judicial Council.

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### Scope of Application Article (4)

The provisions of this Decree apply to the Real Property projects located within the Emirate which are proven to be unfinished or in respect of which a cancelation decision is issued pursuant to the provisions of the above-mentioned Law No. (13) of 2008 and its Implementing Bylaw. However, this Decree does not apply to the Real Property projects located within the Dubai International Financial Centre boundaries.

#### Nomination of the Tribunal Chairman and Members Article (5)

The Tribunal chairman and members will be nominated, and the terms of reference of the Tribunal and the procedures for holding its meetings and for passing its decisions and awards will be determined, pursuant to a resolution issued by the Chairman of the Judicial Council.

### Jurisdiction of the Tribunal Article (6)

- a. The Tribunal will have the jurisdiction to:
  - consider and determine the claims, applications, and appeals that were being considered by the special tribunal formed pursuant to the above-mentioned Decree No. (21) of 2013 and that have not yet been determined by a definitive decision or award;
  - 2. consider and determine the claims, applications, and orders whose subject matter or cause is an Unfinished Real Property Project;
  - consider and determine the claims, applications, and orders whose subject matter or cause is a Cancelled Real Property Project or the liquidation of a Cancelled Real Property Project;
  - 4. consider the Unfinished Real Property Projects referred to the Tribunal by RERA; and issue the decisions required for assigning the completion of any Unfinished Real Property Project to another developer;
  - 5. consider and determine grievances filed by Real Property developers against RERA where a Real Property project is cancelled by RERA pursuant to the above-mentioned Law No. (13) of 2008 and its Implementing Bylaw;

- 6. determine the rights and obligations of the Real Property developers from whom Unfinished Real Property Projects are withdrawn and those who will complete these projects;
- 7. liquidate the Real Property projects in respect of which a final cancellation decision is issued by RERA pursuant to the above-mentioned Law No. (13) of 2008 and its Implementing Bylaw and Resolution No. (12) of 2018; and settle the rights related to these projects after deduction of liquidation expenses;
- 8. determine the rights of investors and purchasers in Unfinished Real Property Projects;
- 9. determine all execution proceedings, grievances, and objections whose subject matter or cause is Unfinished Real Property Projects or Cancelled Real Property projects; and
- 10. perform any other duties required for enabling the Tribunal to protect and preserve the rights of all parties in Unfinished Real Property Projects and Cancelled Real Property Projects.

## Powers of the Tribunal Article (7)

For the purpose of performing the duties assigned to it pursuant to Article (6) of this Decree, the Tribunal may:

- consider and determine relevant ordinary and summary applications, by one or more members of the Tribunal assigned pursuant to a resolution of its chairman;
- 2. assign any of the Tribunal members to manage and prepare case files;
- 3. issue interim and preliminary orders and decisions, including those obliging any Person to perform or desist from a specific act;
- 4. propose mediation and conciliation between parties to disputes;
- 5. form sub-committees and determine their powers and duties;
- 6. appoint auditors, at the expense of the Real Property developer, to audit the financial position of the Cancelled Real Property Project and verify the amounts paid to the developer by purchasers, the amounts deposited in the Escrow Account of the project, and the amounts that have been expended;
- 7. issue orders to the Escrow Agent or Real Property developer of the project in respect of any matter related to liquidation of the Cancelled Real Property Project, including the refund of amounts deposited in the Escrow Account or paid to the developer; and

8. seek assistance from experts and specialists as it deems appropriate, including the Real Property experts and specialists of the DLD, RERA, and the Expertise and Disputes Settlement Department at His Highness the Ruler's Court.

### Annulment and Ratification of Arbitration Awards Article (8)

- a. In addition to the functions vested in it under this Decree, the Tribunal will have the jurisdiction to:
  - 1. consider and determine applications for annulment and ratification of arbitration awards issued in respect of civil disputes that fall within the jurisdiction of the Tribunal, including the claims and applications filed with the Dubai International Financial Centre Courts which are related to Real Property projects located outside of the Dubai International Financial Centre boundaries; and
  - 2. exercise the functions and powers assigned to the competent court of appeal under the above-mentioned Federal Law No. (6) of 2018;
- b. The chairman of the Tribunal will have the same functions and powers vested in the president of the competent court of appeal under the above-mentioned Federal Law No. (6) of 2018.
- c. The procedures, cases, and time frames applicable to ratifying and challenging the awards and decisions issued by the Tribunal in accordance with paragraphs (a) and (b) of this Article will be governed by the above-mentioned Federal Law No. (6) of 2018.

## Duties and Powers of RERA Article (9)

- a. For the purpose of enabling the Tribunal to perform its duties with respect to Unfinished Real Property Projects, RERA will submit a detailed report on each Unfinished Real Property Project, stating the following:
  - 1. the information and details of the Unfinished Real Property Project and its current situation;
  - 2. the solutions proposed for dealing with the Unfinished Real Property Project. This includes determining the Real Property developers who will complete the Unfinished Real Property Projects and verifying their ability to complete the projects;
  - 3. the actions taken by RERA in respect of the Unfinished Real Property Project; and

- 4. any other information or details requested by the Tribunal in relation to the Unfinished Real Property Project.
- b. Prior to completion of the liquidation process of Cancelled Real Property Projects by the Tribunal in accordance with this Decree, RERA may request the Tribunal to suspend the liquidation of these projects to reconsider them and determine whether they can be completed and whether their related disputes can be settled.
- c. RERA will submit to the Tribunal a detailed report on the Cancelled Real Property Projects whose liquidation is suspended pursuant to the provisions of paragraph (b) of this Article to enable the Tribunal to take the appropriate action and decisions in this respect.

#### Obligations of Courts and Judicial Entities Article (10)

- a. All courts and judicial entities in the Emirate, including the Dubai International Financial Centre Courts, may not consider any applications, claims, or appeals that fall within the jurisdiction of the Tribunal and are filed with them after the effective date of this Decree. Where such applications, claims, or appeals were filed before the effective date of this Decree, the courts and judicial entities must cease to consider them; and must refer the same to the Tribunal to consider and determine them in accordance with the relevant rules and procedures adopted by the Tribunal.
- b. Execution departments of all courts and judicial entities in the Emirate must refer to the Tribunal all execution files that fall within the jurisdiction of the Tribunal to consider them and issue the necessary decisions in this respect in accordance with the provisions of this Decree.

## Finality and Execution of Awards Article (11)

The awards, orders, and decisions issued by the Tribunal will be definitive and not subject to ordinary appeal procedures. They will be executed by the Execution Court at Dubai Courts in accordance with the relevant rules adopted by it.

# Applicable Sources of Law Article (12)

Subject to the provisions of this Decree, the Tribunal will exercise its powers in accordance with:

1. the legislation in force in the Emirate;

- 2. the provisions of Islamic Sharia;
- 3. custom, provided that such custom does not contradict the legislation in force, public order, or public morals; and
- 4. the principles of natural justice, truth, and fairness.

## Exemption from Judicial Fees Article (13)

The applications, orders, claims, and appeals that fall within the jurisdiction of the Tribunal pursuant to this Decree are hereby exempted from the judicial fees prescribed by law.

# Providing Support to the Tribunal Article (14)

The Chairman of the Judicial Council will issue a resolution assigning an entity to provide administrative and technical support to the Tribunal.

### Issuing Implementing Resolutions Article (15)

The Chairman of the Judicial Council will issue the resolutions required for the implementation of the provisions of this Decree.

## Supersession and Repeals Article (16)

- a. This Decree supersedes the above-mentioned Decree No. (21) of 2013.
- b. Any provision in any other legislation will be repealed to the extent that it contradicts the provisions of this Decree.

## Publication and Commencement Article (17)

This Decree will be published in the Official Gazette and will come into force on the day on which it is published.

#### **Mohammed bin Rashid Al Maktoum**

#### **Ruler of Dubai**

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Issued in Dubai on 24 November 2020
Corresponding to 9 Rabi al-Thani 1442 A.H.
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