

Law No. (2) of 2025: A New DIFC Courts Law

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A transformative new law, Law No. (2) of 2025, issued by HH Sheikh Mohammed bin Rashid Al Maktoum has brought about extensive changes to the DIFC Courts Law. The law replaces DIFC Laws No. (10) and No. (12) of 2004, while existing regulations remain in effect insofar as they do not conflict with the provisions of the new law.

In one of the major reforms, the new law introduces a Mediation Centre, promoting amicable dispute resolution over traditional litigation. The law also defines the DIFC Courts' exclusive jurisdiction over civil, commercial, and labor claims involving DIFC entities, as well as matters related to personal status, estate planning, and arbitration. In line with the recent precedents, the newly enacted law empowers the DIFC Courts to issue interim / protective measures in aid of arbitrations brought outside the DIFC provided such measures are taken within the DIFC.

Additionally, the law outlines the judicial and administrative aspects of the DIFC Courts, including but not limited to the appointments to the court, statues of limitations, evidentiary procedures and enforcement related matters through a clear procedural framework. The newly introduced reforms further reinforce the DIFC's status as a stable, business-friendly and leading global financial and dispute resolution center.

For any queries under the DIFC Laws, please contact our dedicated experts at SCHLÜTER GRAF.

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