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Mediation and conciliation centers and their impact on resolving legal disputes in UAE “Under Federal Law No. 17 of 2016 and its amendment No. 5 of 2021”

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Abstract: This research endeavors to assess the legal requirements for the operation of mediation and conciliation centers in the UAE based on Federal Law No. 17 of 2016 and its amendment in 2021 No. 5. It is structured into three main sections: the first establishes and defines these centers, the second defines conciliation procedures and the third considers the preceding. The aim is to identify the legal procedures associated with mediation and conciliation centers within the UAE judicial systems and their function in providing solutions for civil and business litigations with the most efficiency and minor financial investments. It also calls for using other forms of conflict adjudication before adopting the legal approach. The conclusions and recommendations indicate the necessity of further improving the Mediation and Conciliation Centers Law due to the necessity of legislative shifts, which would contribute to the UAE’s leading position in legislation related to centers for mediation and conciliation.

Keywords: mediation; conciliation; alternative dispute resolutions; civil procedure law

1. Introduction

The legislative framework of mediation and conciliation centers in the UAE is rooted in Federal Law No. 17 of 2016 and its subsequent amendment in 2021 under Law No. 5. These laws have been pivotal in shaping the operational framework and legal requirements for these centers, ensuring that they function within the UAE’s judicial system. The enactment of these laws highlights the UAE’s commitment to enhancing alternative dispute resolution (ADR) mechanisms, aiming to provide efficient and cost-effective solutions for civil and business litigation. By formalizing the establishment and procedures of mediation and conciliation centers, the legislation seeks to reduce the reliance on traditional court proceedings, promoting a culture of negotiation and amicable settlements. This legislative evolution reflects a strategic shift towards modernizing the judicial process, making it more accessible and less burdensome financially for disputing parties. The ongoing improvements to the Mediation and Conciliation Centers Law are essential for maintaining the UAE’s leadership in ADR, ensuring that these centers remain at the forefront of providing streamlined and effective dispute resolution services.

The current legislative practice places a lot of emphasis on resolving civil and commercial disputes using irresolvable conflict and resolution methods. This shift seeks to resolve this problem by freeing up judicial processes overwhelmed by many cases to ensure that justice is done even with relative delay. Since most legal transactions are complex, especially those involving cross-border or multiple cross-states, and because some courts might need to be equipped to handle these kinds of

cases, more than traditional legal remedies are needed.

Interest in ADR techniques has risen due to their various benefits. The advantages of ADR techniques are: first, they help shift the burden from the judiciary; second, they help expedite dispute resolution. Third, they entail specialist knowledge. Fourth, they are private, whereas conventional court processes are public. They also assist in maintaining business and social relationships and trust between disputants, and finally, they allow for procedural flexibility. Regarding arbitration, which has demonstrated efficiency in domestic and international cases, there are several forms of out-of-court settlements, including conciliation, reconciliation, and mediation.

Noting the importance of these approaches in alleviating judicial loads and promoting the resolution of disputes outside the courtroom, UAE legislators passed the Conciliation and Reconciliation Act (Federal Courts No. 26 of 1999) and later adopted the Act on the creation of mediation and conciliation centers in civil and commercial disputes (No. 17 of 2016) with some amendments in or in Act No. 5 of 2021. By enacting laws, the UAE legislature created the company's centers, whose primary function was to prevent and resolve disputes between parties before turning to the court. The main goal is to advance the objectives of the specialty of ADR and to manage the conflict of the parties' consent to resolving the dispute in the best interest of the individual and the judiciary.

On a personal level, this enables speedy determination of matters, cuts the expenses one might incur in taking a case to trial, and keeps relationships intact, especially business-to-business contract disputes. It lightens the judiciary's case burdens, and we can ensure that other cases can be thoroughly investigated and promptly addressed.

Furthermore, these legislative efforts help create awareness and opportunity for the prevention and settlement of disputes through some form of legal process rather than through the court system, improving justice delivery efficiency. They instill in the parties the belief that they should be involved in finding solutions to the disputes, which leads to their enthusiasm and ownership of the process. The given proactive approach not only empowers the effectiveness of granting justice, but also promotes establishing a less conflicting society.

Furthermore, the increased legislative backing for ADR signifies a more significant understanding of the realities of change that have underpinned the approaches adopted by the legal systems across the world to meet society's mutating needs. Indeed, it is no longer a secret that modern disputes are characterized by their intensity, frequency, and multifaceted nature. In including such methods of dispute management, legislators are sealant in enhancing the legal assistance they offer in the community as responsive, accessible, and fair.

1.1. The significance of this study

This research's relevance lies in the Emirati legislature's approach in recent years. This research is theoretical as it analyzes the legal regime of the Mediation and Conciliation Centre with particular reference to UAE law and with special reference to specific amendments ushered in under Law No. 5 of 2021 to introduce a new and professional system. It is, therefore, crucial in terms of practical usage to measure how

effective mediation and facilitation centers have been in handling disputes within the UAE and minimizing the overload on the judiciary systems before they are dealt with.

1.2. Research objectives

This study aims to evaluate the sufficiency and efficacy of legislative measures concerning mediation and conciliation centers for civil and commercial disputes and to relieve the judiciary burden as enacted in Federal Law No. 17 of 2016 and amended with No. 5 of 2021. While pursuing the goal of this study, it is crucial to formulate an objective that focuses on explaining how the UAE legislator implements the mechanisms of an effective extrajudicial dispute resolution to meet the interests of the judiciary and the disputing parties by preventing conflicts from progressing to the level of formal litigation.

1.3. Research inquiries

The study seeks to answer many of the questions that it raises including:

- (1) What are the mediation and conciliation centers, international or national, judicial or administrative?
- (2) Is the mediation and conciliation center a domain of judicial competition?
- (3) Mediation and conciliation centers are established to provide an exclusive means of resolving certain cases.
- (4) What roles do the discharge parties occupy in the settlement?
- (5) Mediation and conciliation centers are essential in resolving minor disputes for many parties involved, and as discussed below, there is always a defining factor in such settlements.
- (6) In as much as settlements may be helpful for the parties involved, to what extent is it necessary for the parties to settle?
- (7) What are the implications of the mediation and conciliation process?

1.4. Study limitations

This study will discuss mediation and conciliation based on Federal Law No. 17 of 2016, its amendment No. 5 of 2021, and how these processes are implemented in the Emirati courts. The matter relates only to the Colombian legal system and is confined to legal actions under statute law; therefore, the study will not incorporate Federal Conciliation and Reconciliation Law No. 26 of 1999; the study also does not extend to the practice of mediation or conciliation under the laws of other countries. The laws governing mediation are enshrined in Law Number 6 of 2021 on the regulation of the resolution of civil and commercial matters.

1.5. Research methodology

The researcher will employ an analytical study. The research will expound on the theories developed on mediation and conciliation, as well as the theoretical studies conducted and the legal provisions developed to address the mediational and conciliatory aspects as depicted by the Mediation and Conciliation Centers Law No. 17 of 2016 and its amendments.

1.6. Research structure

The study is organized into the following sections:

Mediation and conciliation usually aim to prevent the institutions or formation of mediation and conciliation centers.

- (1) Conciliation procedures.
- (2) Effects of conciliation.
- (3) Definition and Formation of Mediation and Conciliation Centers

This study first explains the meaning of mediation and conciliation. Then, it methodically explains the formation and nature of mediation and conciliation centers.

2. Definition of mediation and conciliation

Under Article 2 of the UAE Mediation, Conciliation, and Mediation Centers Act enacted in 2021, mediation and conciliation refer to the means of an extrajudicial procedure for the settlement of civil and commercial disputes agreeable to the parties and which have occurred or may occur in a legal, contractual, or non-contractual relationship between the participant parties. This involves using a third party, the intermediary, which can either be judicial or non-judicial and is regulated by the federal law of the process. Litigant definitions highlight conciliation as an out-of-court settlement procedure for a dispute between parties to be commenced before the court or during the trial. It takes place with the help of an impartial party, the conciliator, who aims to secure an enforceable voluntary conciliation agreement. From this perspective, conciliation helps achieve an agreed-upon solution to the dispute.

There are also significant differences between general and more specific approaches to the definition of conciliation within the jurisprudence framework. According to one approach, conciliation is viewed as a peaceful way of addressing a conflict in which the person elected by the conflicting individuals tries to bring both sides to a compromise without going beyond their mandate of achieving this goal. This view supports the idea that the conciliator's primary function is to align the parties' opinions to facilitate the agreement but offer solutions himself/herself (Kumari, 2020; Muhammad, 2005; Rashid and Fadel, 2021; Anonymous, 2020).

According to another perspective, conciliation is a flexible process that an impartial and skilled third party oversees to assist two parties in a dispute in resolving their impasse. This approach underscores the training and neutrality that the third party should have so that they can effectively conduct the conciliation process, as espoused by Al-Obaidi (2021), Nassar (2002), and Cao (2006). Another view defines conciliation as a cordial procedure for resolving disputes in which the disputants converse independently or with the aid of a third party to reach a solution that will resolve the conflict (Nabil, 2005; Wang, 2005).

The researcher prefers the first perspective because it defines conciliation as a complete process and does not mix it with other ADR. The second perspective may blur the distinction between reconciliation and mediation, as it posits that the third party should possess extensive negotiation training. This distinction is crucial because case management adopts a more active approach, where the case manager proposes potential solutions to the parties involved in the dispute, drawing on their expertise in the area of disagreement. Unlike in conciliation, the conduct of the conciliator is

confined to attempting to persuade the parties to come closer to each other's views and to assist in reaching a settlement, but without recommending any possible solutions. The researcher says that the third perspective blurred the distinction between party-led conciliation and conciliation by a third party, creating confusion about the conciliation procedure and the outcomes.

2.1. Elements necessary for conciliation

For conciliation to be an effective alternative solution to dispute settlement, several key elements must be present:

- (1) A condition pre-requisite to the formation of a controversy is the existence of a controversy between two or more parties. It is only possible to speak of conciliation with the concurrent existence of the dispute because the subject of conciliation is the dispute between the parties. If such a dispute does not exist, the process cannot continue even when the parties have agreed to proceed to conciliation (Wang, 2005).
- (2) Conciliation is an ADR option that the parties to the dispute cannot be forced to adopt. It is mainly an optional procedure in which the parties themselves are accountable for pursuing it, and it is indeed a self-powered process (Langeland, 1995).
- (3) Thus, the participation of the third subject is becoming essential. This third party is used to assist in making the parties see eye to eye and to try to seek a solution to the matter at hand. The third-party intervention's task entails helping the two parties negotiate. However, it does not have to decide on the case or consider its legal elements like an arbitrator or a mediator (Al-Ahmad, 2008).

In legal terms, Mediation & Conciliation Centers Law—Section 2 explains Reconciliation to mean settlement of the matter in dispute. Furthermore, the UAE Civil Transactions Law under Article 722 defines a conciliation contract as a type of agreement that settles disputes of a legal or factitious nature through the consent of the parties involved. This definition places great importance on the fact that Reconciliation occurs in the context of an ongoing legal or factual disagreement, which may be resolved entirely or partially by both parties' agreement (Al-Sanhouri, 2004).

2.2. Critique of UAE legislation

The definitions provided by the UAE legislator miss key points for two main reasons:

- (1) The stipulation of the concept of mediation in Article (2) of Law No. 14 of the Conciliation and Reconciliation Centers is counterproductive, as it only elaborates the concept comprehensively provided in Federal Law No. 6 published in 2021 addressing provisions on mediation for the resolution of civil and commercial disputes. This must be more helpful in legislation since it causes redundancy through the recurrence of an equivalent expression with the same meaning. The definition should be given under the law concerning the operation of Mediation and Conciliation Centers because the provision is also made under the Mediation Law. Should there be any changes to the Mediation Law in the future, this definition of mediation, as stated

above, falls under the provision of Mediation and Conciliation Centers Law and needs an amendment.

(2) Essentially, the conciliation defined in the Act of Conciliation and Reconciliation Centers differs from the notion of a conciliation contract in the Civil Transactions Act. Thus, the former is redundant because this definition is more all-encompassing and encompasses all aspects of reconciliation. This is specifically true in defining conciliation in the Civil Transactions Act because it also embraces any conciliation done at the conciliation centers or in court, meaning that the definition provides a broader sweep of what conciliation is.

From the definitions representing conciliation, this method depends mainly on the parties' desire to the dispute. "It follows the general principle that conciliation is not invoked where the parties cannot settle a particular dispute." Finally, the voluntariness of conciliation is underlined by affirming the parties' autonomy. This is a crucial postulate concerning conciliation in civil law: whether the parties' consent to resolve the dispute is expressed after a controversy develops or whether the consent is imported into the contract through a clause. Conciliation can occur irrespective of whether the claim is contractual, and the parties can agree to conciliate. Conciliation, consequently, reflects flexibility, enabling it to be applicable because it depends on the will of the parties in dispute.

2.3. Nature of mediation and conciliation centers

The question that occupies an important place in the sphere of ADR concerns the obligatoriness of using these forms for resolving disputes. By and large, using various ADRs means that the subjects' consent is the primary ground for their involvement. However, when the legislator introduces the pre-trial stages, such as conciliation or mediation systems within the judicial system, these are some of the questions that need a comprehensive answer.

Obligatory or Volitional Resort to Mediation and Conciliation Centers in UAE Law?

It is possible to return to judicial action. But in the case of UAE law, is it mandatory to mediate, or is it voluntary to go to a mediation and conciliation center? To solve this question, it is necessary to consider an analysis of these centers' administrative and judicial sides and the criteria discussed above.

A. Volitional Character

For the most part, various forms of ADR, such as mediation, conciliation, and negotiations, have relied on the consent of the parties involved to settle their disputes amicably through such techniques. For example, arbitration derives its power from the arbitration clause between the parties, even though the final award is conclusive (Abu Alwafa, 1974). Likewise, other procedures like mediation and conciliation in main actions depend on the parties' consent and usually end in an agreement, notwithstanding that such procedures do not always have to end in an agreement. These methods are, in essence, contractual because of their primary reliance on voluntary agreements. Conciliation, as an alternative solution, only occurs if both parties agree, even if it's implied, and once a resolution is achieved, the process ends, highlighting the contractual nature of conciliation.

However, much conciliation may be invoked through legalization, the contractual perspective is not interfered with since it is between two contracting persons and a third person (Al-Meligy, n.d.; Nassar, 2002). For example, any of the parties to the dispute (the plaintiff or defendant) may decline the continuation of the conciliation process, which ends this process through referral. The conciliation process and its participants implicitly support its continuation, potentially leading to a successful conciliation.

2.3.1. Justifications for the contractual nature of conciliation

- **Agreement-Based Process:** Conciliation involves referencing the matter to the parties themselves to reach a resolution where the parties have a legal relation, whether express or implied. Forced conciliation sometimes litigants may be forced to exercise this option owing to legal mandates, but they are not bound to do so in that sequence, say, the defendant. Since the legal undertaking of conciliation by the defendant means the parties have agreed to negotiate and settle the dispute by the contract case at hand, it satisfies the contract elements of consent, purpose, and consideration (AL-Essawy, 2021; Moussa, 2005).
- **Termination Outcomes:** Conciliation is one of the most effective methods of amicable dispute settlement with the party and is considered contractual since it is terminated with the conclusion of a settlement or an unsuccessful attempt due to a lack of agreement (Al-Meligy, n.d.; Nassar, 2002).
- **Non-Judicial Composition:** The appointment and composition of conciliation commissions and the judicial courts are, therefore, distinct. Subordinate independent personnel do not have legal protection in the form of judicial privileges and cannot be obligated to adhere to the Code of Civil and Commercial Procedure (Ubilava, 2022).

B. Judicial Character

On one hand, there is the voluntary nature of the undertaking, and on the other, there is an opinion that relates conciliation commissions to being judicial. Even if conciliation is based on an agreement and, therefore, part of the contract, there are differences between the contracts (the agreement to conciliate) and conciliation as any process that may be seen as a judiciary. Proponents of this theory argue that judicial nature is based on three criteria:

- **Formal Criterion:** This criterion involves handling legal matters by the person doing the work and thus has a judicial nature. However, if the work is being done by somebody occupying any judicial post, it is categorized as judicial.
- **Objective Criterion:** This norm can relate to the work's ability to address a conflict between two parties, meaning it is judicial work.
- **Mixed Criterion:** This is a blend of structuralism, often formal and positivist, which is objective.

From the analysis done from the angle of the objective criterion, conciliation is an exercise in settling a dispute; hence, it is judicial. If a judge conducts it, it adds a persuading judicial characteristic to the process (Ali, 2000).

2.3.2. UAE legislative framework

The UAE legislator has signed and ratified, among others, the laws on mediation

and conciliation within the courts of first instance according to Article II. Nevertheless, the personnel of these centers are not affiliated with the judiciary, contrary to the repealed 1999 law, which sometimes called for judges' participation. Therefore, it is necessary to reach a compromise before the case reaches the courts. Article (3) provides that civil and commercial lawsuits shall be resolved through mediation and conciliation centers if they fall within the jurisdiction of the summary courts or involve a spouse or a close relative other than the other party. However, the provisions of the Civil Procedure Law shall govern all other cases that may involve parties.

2.4. Judicial supervision

If a judge oversees these types of centers, it does not mean that they will become judicial since the authority of a judge is merely supervisory in this case. The judicial authorization of this form of reconciliation adds procedural legal requirements that provide the requisite authorization to ensure its significance but does not give it judicial judgment status.

2.5. Conclusion

Based on the above analysis, conciliation in UAE mediation and conciliation centers is volitional rather than judicial. Judges do not perform the work, and although procedures are legislatively defined, they are followed according to the parties' will. Conciliation typically ends with a voluntary agreement or lack thereof on a settlement, underscoring the parties' autonomy in the process.

In summary, mediation and conciliation centers in UAE law are primarily voluntary. The process relies on the parties' willingness to engage, and the role of the third party is to facilitate agreement without imposing judicial authority. The UAE legislative framework supports this volition by establishing centers outside the formal judicial framework, reinforcing conciliation and mediation's contractual and voluntary aspects.

3. Jurisdictions and procedures of mediation and conciliation centers

The first of these explains the Circuits' jurisdiction regarding the Conciliation Center, while the second pertains to the procedures of conciliation.

3.1. Jurisdiction of a conciliation center

Article 3 of Law No. 15 of 2008 on Mediation and Conciliation Centers notes that the UAE legislature has conferred exclusive jurisdiction on the Mediation and Conciliation Center regarding civil and commercial matters. It distinguishes between different types of cases, claiming that the rules of Civil Procedure Code Article 30(a) require using the Mediation and Conciliation Center for cases managed by the District Courts. This article pertains to all work in software positioning for cases up to AED 1 million and all claims concerning the validity of signatures, irrespective of the amount. If the parties agree, comparable civil and commercial cases where the claimed amount is equal to or above AED 1 million or has an unknown value must follow Mediation and Conciliation Centers; however, the stated procedure does not apply to court proceedings.

The evidential basis for distinguishing total and partial cases while recommending the centers for mediation and conciliation must be clarified. Referral is a requirement for partial cases, and the option is recommended for total cases; the value of the case must not dictate the referral to the conciliation centers, but the jurisdiction must. Conciliation is more useful in value-oriented cases, particularly those involving companies that can move faster and achieve a quicker resolution than in other cases. Additionally, conciliation and mediation proceedings have evolved to facilitate the speedy resolution of disputes arising between companies and legal entities without necessarily going through the regular court process. Hence, the legislature ought to consider all cases with limitations for resolution and cannot afford to differentiate between big and small cases.

Additionally, the centers may consider moderate dispute amounts for mediation and conciliation in disputes involving spouses and relatives up to the fourth degree or those that do not exceed the amounts specified in the legislation. The amended code stipulates that Article 3 of the Mediation and Conciliation Act ties jurisdiction to the Civil Procedure Code, not based on the action's value, unlike the repealed code. This is because any change in the courts' jurisdiction under the Civil Procedure Code necessitates amending the Mediation and Conciliation Act.

The Mediation and Conciliation Centre does not have jurisdiction over the following cases:

- **Urgent and Temporary Orders and Lawsuits:** These disputes need intervention either in the form of temporary protection or the conflict needs to be settled without going into the case's merits; therefore, they cannot be solutions through conciliation. Emergency relief is appropriate where a right needs to be vindicated immediately, or reports not to be made without delay are presented for resolution. However, the conciliator may have a part to play in a review of these decisions during negotiations, for example, in negotiations concerning standing additions which, when adequate assurances are provided, lead to the removal of reservations or the rendering of temporary and urgent decisions, which are nullified when a settlement is reached (Gandel, 2017).
- **Cases Involving the Government:** Contrary to civil matters between individuals, cases involving the state are not conciliable since the state holds legal authority over its subjects. Nonetheless, conciliation may be suitable in those contractual relations for the state, including extra-contractual financial disputes that one should qualify for an amendment to refer such cases to mediation and conciliation centers (Al-Bassiouni, 2020).
- **Lease Lawsuits:** To address rental disputes that may result from lease contracts, there are specific procedures and laws regarding such matters that rental dispute committees solve at the emirate level. These committees, formed by the judges, must swiftly hear and decide the matters and interim orders under laws such as Abu Dhabi Law No. 20 of 2006, which governs the relationship between landlords and tenants and provides for establishing rental dispute settlement committees (Gandel, 2017).
- **Labor Lawsuits:** Under the UAE Labor Relations Organization Law No. 33 of 2022, the Ministry of Labor can look into the disputes between the parties to labor

relations for a chance of mediation in case of the failure of which it may refer the dispute to a court of law. Therefore, labor cases do not come under the dispute resolution of the mediation and conciliation centers as they practice a particular conciliation and settlement process offered by the Ministry of Labor, as stated by Fatal in 2018.

- **Personal Status Cases:** Family guidance committees are called in the general courts of personal status based on the provision of Article 16 of the Personal Status Law, and its executive chairman must be a judge. These committees deal with status matters or personal status cases which do not include wills and inheritance and preserved matters, exceptional and temporary maintenance, custody and will cases, marriage or divorce-proof cases or contentious matters or consultative cases at the request of a competent tribunal and other consultative cases from a competent tribunal with the consent of the parties. Other cases of personal status need to be covered, such as those where personal status cases not previously addressed during legal proceedings appear in the course of the case. The legislator has excluded the personal status cases from the list of amendable cases under mediation and conciliation centers. It has put them under a different procedure specified in the Personal Status Law (Alnoor, 2012).
- **Other Cases:** The Mediation and Conciliation Centre cannot handle cases other than those to be presided over by a center, committee, or comparable tribunal.

3.2. Mediation and conciliation procedures

(1) First: Payment of the Case Fee

According to Article 5, no judicial fees may be charged for cases and requests submitted for mediation or conciliation to centers for mediation and conciliation. Similarly, as stated in Article 6, lawsuits that fall under the mandatory jurisdiction of the center based on Article 3 of the law cannot be filed to courts that incorporate a mediation and conciliation center until the lawsuit has been submitted to the center and a statement has been spoken. It may result from the litigants' wishes as they request the court to refer their case to the center. In cases where the court president has received a fee before handling the case, he may return the fee in cases where the issue is resolved through conciliation. Therefore, if the center feels the case should be re-referred, there is no extra fee over the previously paid (Alsarhan, 2022).

(2) Second: Effects of Referring the Case to Mediation and Conciliation Centers

- 1) **Suspension of Time Limits:** General time limits for the hearing of cases and the limitation periods provided for under the state laws will be deemed suspended upon filing a complaint with the center.
- 2) **Conciliator's Authority:** The powers of the conciliator include but are not limited to reviewing any papers, documents, records, and other evidence, taking any actions as the conciliator deems appropriate and without reference to the Civil Procedure Law; the Law of Advocacy; or official working hours. The conciliator may also require or request the assistance of those experts recognized by the court as registered or appointed by the parties involved. He/she is the one who determines the amount charged to the expert as well as the recognizable tasks from the law of evidence in civil and commercial transactions.

(3) Third: Announcement

Article 11 of the Law on Mediation and Conciliation Centers provides that the provisions relating to the notification of the litigants by the publicity rules under the Code of Civil Procedure and Regulations shall apply to mediation and conciliation disputes. Due to the nature of a conciliation hearing, parties to the case are expected to be physically present or legally represented. The conciliator selects such dates and informs the parties or their agents of the place and time for the dispute session (Alsarhan, 2022).

(4) Fourth: Duration of Case Hearing at the Center

Judicial settlement forums, which include mediation and conciliation centers, aspire to resolve the cases within 21 working days from the time the parties tender their facts. This period may be subsequently extended by an additional twenty-one (21) days upon the determination of the conciliator unless the parties decide to have an extension as provided in article twelve (12) of the Law.

4. Effects of mediation and conciliation

This section discusses the consequences of mediation and conciliation. Thus, the first prerequisite relates to terminating conciliation without any reconciliations, while the second prerequisite covers terminating conciliation followed by reconciliations between the parties.

First Requirement: End of Conciliation Without Settlement

Conciliation may end without achieving a settlement or reconciliation between the parties in the following scenarios:

- **Absence of the Parties:** According to Article 14, “If it is not possible to settle the dispute because one of the parties has failed to attend the session on any justifiable ground or any other reason, then the concerned parties shall receive a statement of actions taken and the disputing file shall be forwarded to the court of law.” Therefore, the conciliation process ends if any parties fail to attend the session after being served with a notice. The parties did not attend the conciliation; hence, the Commission will decide to bring the conciliation proceedings to a close since the parties did not attend the proceedings as required under Section 111 (5) of the Act of 2010 as amended (Gandel, 2018).

Finally, where the legislator dealt with the combined actions of different parties, the legislator failed to specify the situation where several plaintiffs or defendants were involved. It was opined that the complete absence of one party should not preclude the conciliation center from functioning since the rights of others are not prejudiced by the resolution of a matter among the existing parties. They will carry it out with the parties, where it will be known as the conciliation commission. This is because if the absence of some parties hinders the process, the conciliation will be regarded as having come to an end (Alsarhan, 2022).

- **Freedom of Withdrawal:** First of all, conciliation has to be voluntary throughout all the stages because the very core of this method of dispute resolution is the freedom of the parties to withdraw at any time they wish (Wang, 2005). Failure in conciliation can lead to withdrawal, as it allows one to decline to proceed to the Commission. However, if one has already proceeded, they have the option to

withdraw during the session. This can be through letters, email, or face-to-face discussions and consultations. The Conciliation Commission can not order the parties to proceed more and must submit a writing to such effect: INTEGER.

Article 13/2 of the law states, “In cases of termination of conciliation, mediation, and conciliation procedures shall be terminated in the following cases: A. Settlement agreement whether by the consent of the parties; B. Failure to proceed with the mediation and conciliation by informing the conciliator by one or all the parties of their desire not to proceed any further in mediation proceedings.

- **Expiry:** Conciliation also ends if the set time for its exercise has lapsed without a settlement or if the parties to the dispute reject efforts at an amicable settlement. According to Article 13/4, conciliation proceedings shall extend for at most twenty-one working days from the appearance of the parties before the center. In the absence of a joint agreement by the parties, this period may be extended by a period similar to the one agreed upon and decided upon by the conciliator.
- **Lack of Seriousness:** Article 13/3 gives the conciliator the discretion to withdraw from the conciliation if the participants fail to take it seriously, one of which may be an opponent delaying the process or a failure to provide a conclusive reaction.

Second requirement: End of conciliation with settlement

Conciliation concludes with the dispute settlement and disagreement once the parties reach a consensus. The conciliator is instrumental in this process by checking that each of the terms reached has been agreed to and recorded. In the process of conciliation, once the parties reach a settlement, the settlement becomes the final decision regarding the settlement of the dispute, and the conciliator writes a statement confirming the settlement of the dispute.

Termination of Conciliation with a Settlement Between the Parties.

The goal of conciliation is not only to help the parties come to a settlement of their differences but to find a resolution to the conflict without involving the formal state judiciary system. The purpose of this approach is optimal as it seeks to satisfy the parties with the resolution, relieve the judiciary of work-related conflicts, and avoid the inherent conflicts arising from litigation. This paper only attempts to examine some aspects of reconciliation contracts. It thus does not proceed to look at its elements or impact but the settlements or reconciliations before the conciliation committee and the resultant agreement.

Settlement Issuance Procedures.

According to Mediation and Conciliation Centers Law Article 15, if the conciliation is attained before the conciliator, then it is required that the conciliator write a minute and sign by all the parties involved. The supervising judge then endorses it, becomes authoritative as an executive bond similar to judgments, and cannot be filed for an appeal. Upon approval, any party may request the addition of the minutes to the executive form for execution, adhering to the Civil Procedures Law or its amendments.

The given parties, the conciliator, and the supervising judge must confirm the conciliation agreement. The conciliation contract entered into before the conciliation commission has the nature of an executive bond in the constitution and should be

enforced before the judge of enforcement, assuming that it contains general conditions prescribed by the legislator for an executive bond. These include specifying certain rights, dues, and values, as well as assuming executive or nominal forms. Besides this, the agreement must be legal and executed between the concerned parties to the business.

4.1. Scope of reconciliation

4.1.1. Scope in terms of parties

The term reconciliation was intended to be between disputing parties; this means that every party that has submitted its dispute to the Conciliation Commission can engage in a conciliation agreement. In conciliation, the parties to the reconciliation are formally defined concerning the conciliation request, which points to the other party involved in the dispute (Alsarhan, 2022). Reconciliation” refers to the process of resolving a dispute between conflicting parties by restoring friendly relations and reaching a mutually agreeable solution. This involves the parties coming together, often with the help of a neutral third party like the Conciliation Commission, to discuss their issues and negotiate terms that satisfy both sides. The goal of reconciliation is to end the conflict and achieve a harmonious agreement without resorting to more adversarial methods like litigation. A request for conciliation may be made either by one or more persons (the claimant) or against a particular person or persons (the respondent) and other persons involved in the conflict (Gandel, 2018).

While it appears possible to invite individuals not listed in the conciliation request, the act’s guidelines provide little guidance on how to proceed. In essence, conciliation processes are more persuasive with parties seeking to compromise; hence, the flexibility of conciliation procedures is significantly lower than that of judicial litigation. Put simply, if an individual’s name is associated with the conflict, they can receive an invitation to participate in the conciliation process. The other person may also seek permission to participate in the conciliation proceedings to determine the solution to the dispute.

An unsubdivided settlement can be partially conciliated by some parties but not all. All the parties who are not parties to the settlement, even though they took part in the conciliation and agreed on the settlement before the Conciliation Commission, will not be able to bind the parties by the reconciliation made before the Conciliation Commission. An attorney, trustee, or guardian of a party cannot initiate conciliation or settlement on their own. A representative of either party may start conciliation proceedings, and the conciliation agreement can be signed by the representative if he or she is legal to do so (Al-Sanhouri, 2004).

4.1.2. Scope in terms of object

This is a broad aspect of the study as it defines the boundaries within which the study will be conducted and the parameters of the research. The following are some focus areas where the scope is defined: Area of study: This refers to the region of interest where the study will be conducted. It defines the geographical location of the study. The study population: This is the group of people, animals, or objects that will be involved.

Aspects of Reconciliation The reconciliation agreement should contain specific

information on matters that led to the dispute involving the two parties. The settlement may cover all aspects of the parties' claim in their conflict and effectively end the ongoing dispute. It may contain the settlement of all issues in the dispute, with the remaining issues being resolved by a court of law. It can also include a broader horizon beyond future transactions, as one party may give up certain rights to secure future relations (Al-Essawy, 2021; Allouzi, 2006).

The reconciliation record in front of the Conciliation Commission differs from the record of reconciliation in the court preliminary to the action concerning the attached conciliation. The conciliation record before the commission differs from that of a court or before a commission judge (Allouzi, 2006; Turki, 2009).

4.2. Procedures and implications of reconciliation

The conclusion of conciliation through signing a reconciliation agreement between the parties to the conflict means that a new reconciliation contract will be formed in place of the original disparate contract. The legislator prescribes the form and content of the reconciliation minutes to be prepared before the conciliation committee and elaborates on the nature and extent of the reconciliation between the concerned parties.

Some of the measures mentioned in Article 15 of the Law of Mediation and Conciliation Centers are the writing of the reconciliation, signifying the minutes by the concerned parties and the conciliator, and finally, the approval of the supervising judge. Once the record has been signed, he acquires the nature of the executive bond similar to the judicial decisions and not subject to the appeal. After approval by an organization, the minutes are annexed in the executive form as follows: The Civil Procedures Law.

The signed conciliation agreement shall be signed by the disputing party, the conciliator, and the judge who supervises the conciliation procedure. It meets the general requirements for an executive bond and includes specified guaranteed rights, fees, and values, as well as the acquisition of the executive form as an official form. In addition, the agreement should satisfy specified legal requirements and be concluded with all the relevant participants.

4.3. Effects of reconciliation

In the reconciliation agreement where reconciliation has occurred, the parties' extent in terms of the reconciliation is thus defined by the conciliation request. Depending on the relationship being accursed, the applicant for conciliation points to another party involved in the relationship (Alsarhan, 2022). Involvement of multiple parties and conciliation can be requested by or against several persons, implying all parties are covered by the conflict (Gandel, 2018).

The procedures for conciliation are open for inviting and admitting any person in case their participation can be considered helpful in the sides of the conflict. A third party may seek to intervene in the proceedings to defrost the conflict. In the disposition of a dispute, conciliation can simultaneously take place. Some parties in the dispute can be settled without the others, depending on whether they are divisible. The reconciliation reached by the Conciliation Commission shall not expose persons and

other entities who are not a party to the settlement, even if they were involved in the conciliation process and agreed to reconciliation but not the settlement.

However, where one of the parties cannot engage in conciliation or settlement, such proceedings shall be conducted on his behalf by another person entrusted with authority over him, such as a guardian. Others can represent the parties to the dispute. In such representation, the representative can commence conciliation proceedings and formalize the agreement if he or she has proper power of attorney (Al-Sanhouri, 2004).

Clause 7: The outline of the subject matter of a reconciliation agreement should be the focus. It can bring all the resolutions about the matter and come to a closure on the dispute or part of the dispute, and the remaining may be litigated. It also applies to future transactions, where one party could forego some of his/her rights for future business as a surety (Al-Essawy, 2021; Allouzi, 2006).

It is crucial to note that the record in front of the Conciliation Commission differs from the reconciliation record before the court about the attached conciliation. It is imperative to note that the conciliation record taken before the commission is not brought before a court or a judge, as is the case in some legal systems (Turki, 2009; Allouzi, 2006).

The ending critical focus of conciliation is facilitating parties' agreement and reconciliation in disputes, which means handling and managing different disputes outside the court system. Conciliation is an individual and informal dispute process where both parties introduce their interests and determine acceptable options to resolve the conflict. The procedure for reconciliation raises the question of what a government agrees to do or refrains from doing during conciliation and enables the parties to achieve documented, fair, and enforceable outcomes. As observed from the effects of reconciliation, the parties involved, and the subject matter of the dispute, the process should be authorized and bound by the law to promote efficient compliance and sound outcomes.

5. Conclusion

This research focuses on mediation and conciliation centers in UAE law under Law No. 17 of 2016 and Amendment 5 of 2021. The first section explains the centers' nature and formation, the second section discusses conciliation and reconciliation procedures, and the final section discusses their impact.

The research concluded with the following findings and recommendations:

5.1. Findings

- (1) The creation of mediation and conciliation centers prescribes the organization of the reformers by the minister or the head of the relevant judicial authority from among persons who are not judges. In contrast, before the change of law, mediation committees could consist only of judges or a combination of judges and other individuals.
- (2) To begin with, it may be noted that in UAE law, conciliation is not recognized as a component of judicial power; it is a non-judicial and voluntary means of dispute resolution. The judges' control over the center can have a legal meaning only within the limits of the legal powers granted to the judges; for this reason, the

center cannot have a judicial status, as it does not exercise judicial powers.

- (3) The legislator also bars suing the State or referencing a lawsuit involving the State, regardless of whether it is a subject matter right or obligation where the State does not exercise an act of sovereign power.
- (4) Conciliation ends with an agreed settlement, which is a formal order similar to the legislative conciliation records signed by the presiding officer and cannot be appealed. However, it should be noted that proceedings may still be instituted to challenge the conciliation agreement as unlawful under common legal provisions.
- (5) It is also important to address the issues concerning the UAE legislator, who aims to classify cases based on the value of the lawsuit and their jurisdiction in the summary and full courts and refer them to the conciliation centers.

5.2. Recommendations

- (1) Change the law's name to "Conciliation Centers in Civil and Commercial Courts Law" and delete the word "mediation" because it should be regulated under another law unrelated to conciliation.
- (2) Amend the law by erasing its definition of Mediation since it is already defined in Law 101/M of Mediation for the Settlement of Civil Disputes on May 27, 2005.
- (3) The previous committee recommended that the Minister of Justice not be in charge of forming mediation and conciliation centers.
- (4) I was disappointed when it produced a recommendation that lacked affordable and accessible ways of resolving disputes. The law should state that judges can be appointed as conciliators because people have confidence in judges.
- (5) Suppose they must still be provided for in the existing law and regulation. In that case, a specific academic threshold must be prescribed as a criterion for appointing conciliators.
- (6) Coordinate matters relating to conciliation sessions regarding the number of parties to the case/ dispute, the litigants, and the scheduling and venue of the meetings.
- (7) Also, discuss some of the measures to be taken in cases where the conflict involves many people, some of whom are ready for conciliation and others are not.
- (8) Therefore, the reason given to justify value-based jurisdiction does not apply to conciliation referral. This should mean that all cases heard at the District and District courts should be mandatorily referred to conciliation centers regardless of the party to the case.

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