

Hawkamah organizes the first MENA Judicial Colloquium on Insolvency and Restructuring



Dubai: 13th December 2011 – Hawkamah, the Institute for Corporate Governance held the first Hawkamah MENA judicial colloquium at the Dubai International Financial Centre (DIFC) today. The two day event is being held in partnership with the Dubai Judicial Institute (DJI), DIFC Courts, and the Abu Dhabi Council for Economic Development, INSOL International, the World Bank group, International Finance Corp (IFC), The Abu Dhabi Judicial Department. Global law firm Latham & Watkins LLP is supporting the event.

The participants of the colloquium examined the legal and policy dimensions of insolvency and restructuring via case studies on restructuring and panel discussions on insolvency law. A representative from the UAE Ministry of Finance participated in opening the event.

The event is being organized under the umbrella of the Forum for Insolvency Reforms in MENA (the FIRM), the founding members of which are Hawkamah, the World Bank, INSOL International and the OECD.

Dr. Nasser Saidi, Executive Director Hawkamah and Chief Economist of DIFC said: "The main purpose of this colloquium is to highlight the fact that well established Insolvency Regimes and Creditor Rights Systems and frameworks are a critical part of market infrastructure and are a key standard for sound financial systems. The absence of efficient exit mechanisms would discourage the entry and financing of new businesses into a country's markets, if they cannot be freed from the burden of past obligations. Having said that the idea is not to provide defaulters with an easy way out of their liabilities, but to provide potentially viable, solvent, debtor companies with an appropriate framework for restructuring and reorganising their businesses, in order to survive financial and economic shocks, and continue their operations, instead of focusing only on liquidation. Enabling the restructuring and reorganization of companies is one of the most important features of a modern insolvency regime. UAE is unique in the sense that two insolvency systems are available in two jurisdictions: one for the DIFC and one for the UAE. With the UAE in the process of issuing a new insolvency law, today's forum provides an excellent platform to debate the nuances of insolvency and restructuring systems within the UAE, learning from international best practices and focusing on how to strike the right balance by aiming to have an internationally accepted yet practical Insolvency and restructuring law for the country"

"Given the effects of the global economic downturn, our region needs to review its insolvency laws and policies more closely and pursue higher judicial standards in these areas. The upcoming Colloquium's inclusion of regional and global experts on insolvency and restructuring will enable participants to envision the development of laws and expertise that best suit the Middle East's needs. We look forward to incorporating the

results of the upcoming forum into the DJI's own insolvency procedures as we further develop our expertise in the field," said Dr. Judge Jamal Al Sumaiti, Director General of DJI. The forum will also feature invitation-only closed session roundtables for ministries of justice, regulators, judges and insolvency professionals that will focus on judicial engagement and cooperative development.



