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Qatar's Judicial Enforcement Law No. 4 of 2024: A Reminder of Qatar's Landmark Reform

*By Matthew Williams and Charbel M. Maakaron**

In this article, the authors review Qatar's Judicial Enforcement Law and explain how it has benefited creditors.

It has been a couple of years since the introduction of Qatar's Judicial Enforcement Law No. 4 of 2024 (the Judicial Enforcement Law), but enforcement is still a process that many do not understand. It is therefore perhaps worth a reminder of the law and its far-reaching scope. This article concludes with a brief look at how the law has benefited creditors.

The Judicial Enforcement Law was issued as part of the State's efforts to enhance its legislative and judicial infrastructure. The Judicial Enforcement Law complements the legislative framework established under the National Initiative for Justice System Development. Effective from 6 October 2024, the law introduced sweeping changes across the enforcement system — from institutional structure and digital transformation to strengthened penalties and the treatment of arbitral awards.

A DEDICATED ENFORCEMENT COURT

One of the most notable features of the Judicial Enforcement Law is its introduction of a fundamentally new structure, significantly differing from the system that had been in place for over three decades. Article 2 of the new law establishes a court entitled the "Enforcement Court," replacing the previous Enforcement Department under the repealed provisions of the Civil and Commercial Procedures Law.

According to the new legislation, the Enforcement Court will be presided over by a judge with a rank of at least "Deputy President of the Court of Appeal." In addition to the judicial body, the new law introduces the administrative framework for the Enforcement Court, specifying the appointment of an administrative director, administrative staff, and a sufficient number of police officers and personnel to support the court's functions.

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CHEQUES AND LEASE CONTRACTS AS ENFORCEABLE INSTRUMENTS

Article 6 of the law has made a substantial addition by recognising new types of documents with the force of an enforcement instrument, including cheques and lease contracts. This change facilitates quicker collection of cheque amounts without the usual procedural complexities associated with filing disputes.

The law allows the beneficiary to take enforcement actions directly against the drawer when the cheque is marked for insufficient funds, partial payment, or no funds, by submitting a request to the competent enforcement judge. The law stipulates that no more than three years should have passed since the cheque was issued when submitting the enforcement request.

On the property side, the new law designates lease agreements as enforcement instruments. Upon the expiration of a lease, property owners can initiate eviction procedures without resorting to filing a lawsuit. However, this provision pertains solely to eviction and does not address claims for overdue rent or other issues. Additionally, the lease agreement must be registered in accordance with Law No. 4 of 2008 Concerning Property Leases.

SIMPLIFIED ENFORCEMENT OF ARBITRAL AWARDS

Under previous provisions, the procedures for enforcing arbitration awards required the winning party to file a lawsuit in the competent court to recognise and enforce the arbitration award, a process that was time-consuming and required significant legal efforts from the involved parties. The new law simplifies and expedites these procedures significantly. It states that arbitration awards are considered directly enforceable instruments, facilitating their enforcement without the need to file a separate lawsuit. The winning party can submit a direct enforcement request to the Enforcement Court.

The enforcement of the arbitral award may not be rejected regardless of the state in which it was issued, except in two cases: arbitrability and public policy. For an arbitral award to be enforceable in Qatar, it must be “arbitrable,” meaning the award must be issued in a matter that may be referred to arbitration in accordance with the applicable laws in Qatar. This alignment with the Qatari Arbitration Law, Law No. 2 of 2017, gives international commercial parties considerably greater confidence in Qatar as an arbitration-friendly seat.

EXPANDED POWERS OF THE ENFORCEMENT JUDGE

The new legislation has expanded the powers of the enforcement judge, empowering them to assess the merit and viability of an enforcement request,

particularly when it would not resolve substantive issues. The judge is also authorised to reject an enforcement request if it is determined that the enforcement would require a ruling on substantive matters. Among the judge's new powers are:

- seizing and selling the debtor's assets;
- arresting and bringing the debtor to court;
- preventing the debtor from conducting certain transactions or benefiting from certain government services;
- banning government entities from contracting with the debtor;
- ordering the seizure of assets held by the debtor or third parties;
- preventing the debtor from travelling; and
- imprisoning the debtor.

The law specifies that in the event of issuing a travel ban order against the debtor, the ban will be issued against the persons listed as authorised signatories on the corporate registration of the company.

In cases of an imprisonment order, the rules provide that the imprisonment may be for no more than three months per year if the debtors are capable of paying, ordered to pay, and default.

CRIMINALISING FAILURE TO EXECUTE

The legal provisions regulating the crime of failure to execute have undergone substantial amendments, expanding and specifying the nature of the crime and imposing more stringent penalties compared to those previously stipulated in the now-repealed Chapter Three of the Civil and Commercial Procedures Law No. 13 of 1990.

One of the most notable amendments is the increase in the maximum imprisonment period for those committing these crimes, which has increased from three months, as previously stipulated, to three years under the new law. Additionally, the new law introduces the possibility of imposing a fine of up to QAR 100,000, whereas the repealed provisions of the Civil and Commercial Procedures Law did not allow judges to impose fines. Both penalties may be applied simultaneously, which enhances the effectiveness as a deterrent.

The new law also eliminates any preliminary conditions for executing imprisonment. Previously, proof was required that the party subject to enforcement was able to comply with the judgment and a court order for payment before imprisonment could be imposed. The new law has removed these preliminary conditions, thereby easing the burden of proof on the claimant.

The Enforcement Law grants the head of the court or their delegate the authority to settle this crime with the offenders before initiating criminal proceedings or during their course, but before a final judgment is issued. Settlement is permitted only if the offender has removed the cause of the penalty, and requires payment of QAR 50,000 — half of the maximum fine stipulated.

DIGITALISATION AND PROCEDURAL MODERNISATION

The enforcement file has officially become electronic, starting with the registration of the request and payment of applicable fees, followed by verification and review of the required procedures and amounts. The law also replaces the “chosen address” with the “national address,” reflecting a clear move towards digitalisation of the entire system.

HOW THE JUDICIAL ENFORCEMENT LAW HAS BENEFITTED CREDITORS

The Judicial Enforcement Law has been in force for a period of just over two years, and opinion suggests that its objectives have been met, with a number positive impacts on creditors' rights:

1. By codifying timelines and reducing bureaucratic ambiguity, the law has significantly cut delays that previously undermined the practical utility of benefitting from favorable court rulings.
2. The law has ensured that enforcement matters are handled by personnel with focused experience, reducing the burden on general civil courts and improving the consistency and quality of enforcement decisions.
3. The law has strengthened the legal tools available to judgment creditors, including clearer mechanisms for the attachment, seizure, and liquidation of a debtor's assets. This has provided greater certainty for commercial parties that contractual and judicial obligations will be meaningfully enforced.
4. The clear rules on asset enforcement have reduced the scope for debtors to obstruct or delay enforcement proceedings. The stiffness of the penalties that may be imposed on debtors has also created a regime under which there is greater compliance by debtors with court enforcement orders.
5. With electronic notification, digital asset disclosure, and online case management, the process has become simpler, faster, more transparent, and more accessible.