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CURRENT AFFAIRS



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Gujarat International Maritime Arbitration Centre (GIMAC)

Context:

Recently, a Memorandum of Understanding (MoU) was signed between the Gujarat Maritime University and International Financial Services Centre Authority in GIFT (Gujarat International Finance Tec-City) City.

The objective of the MoU is to jointly support the establishment of the Gujarat International Maritime Arbitration Centre (GIMAC).

About:

GIMAC:

- This will be the first centre of its kind in the country that will manage arbitration and mediation proceedings with disputes related to the maritime and shipping sector.
- The GIMAC will be part of a maritime cluster that the Gujarat Maritime Board (GMB) is setting up in GIFT City at Gandhinagar.

Need:

- **India's Focus on Arbitration:** Recently, the Arbitration and Conciliation (Amendment) Act, 2021 was notified, considered as the landmark step towards making India as the hub of International Commercial Arbitration.
- Arbitration is a kind of dispute resolution method where the disputes arising between the parties are resolved by the arbitrators appointed by them instead of state's legal bodies.
- There are over 35 arbitral institutions in India, however, none focus exclusively on the disputes related to the maritime sector.
- With the state continuing to witness a rapid extension in maritime activities and inching closer to becoming a global maritime hub with the implementation of Gujarat Maritime Cluster project, a strong growing and recurring demand is being generated for a specialized facility for maritime arbitration services.
- The idea is to create a world-class arbitration centre focused on maritime and shipping disputes that can help resolve commercial and financial conflicts between entities having operations in India.
- The arbitration involving Indian players is now heard at the Singapore Arbitration Centre.
- Globally, London is the preferred centre for arbitration for the maritime and shipping sector.

Benefits:

- Facilitate faster dispute resolution.
- Enhance the attractiveness of GIFT SEZ (SEZ) among the International Maritime Community.
- Increase the ease of doing business.
- Reduce burden on courts.

Gujarat Maritime Cluster:

- It is conceived as a dedicated ecosystem of Ports, Maritime Shipping and Logistics services providers.
- It will host an array of maritime, shipping industry players and service providers, along with relevant Government regulatory agencies, in GIFT City, Gandhinagar – India's first International Financial Services Centre (IFSC).
- The International Financial Services Centers Authority (IFSCA) is a unified authority for the development and regulation of financial products, financial services and financial institutions in the IFSC in India.
- It will be a one stop solution for all maritime services while attaining economic growth, employment generation and industry – academia confluence in the region.

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