



# Gujarat International Maritime Arbitration Centre (GIMAC)

## Why in News

Recently, a **Memorandum of Understanding (MoU)** was signed between the **Gujarat Maritime University** and [International Financial Services Centres 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)**.

## Key Points

### ▪ 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 [Special Economic Zone \(SEZ\)](#)** 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 Centres 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.

**Source: IE**

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