

Federal Law No. 4 of 2012 on the Regulation of Competition

We, Khalifah bin Zayed Al Nahian, President of the United Arab Emirates;

Having perused the Constitution;

Federal Law No. 1 of 1972 on the Jurisdiction of Ministries and Powers of Ministers, as amended;

Federal Law No. 5 of 1975 on the Commercial Register;

Federal Law No. 4 of 1979 on the Suppression of Fraud and Deception in Commercial Transactions;

Federal Law No. 10 of 1980 on the Central Bank, the Monetary System, and Regulating the Banking Profession, as amended;

Federal Law No. 18 of 1981 Regulating Commercial Agencies, as amended;

Federal Law No. 8 of 1984 on Commercial Companies, as amended;

Civil Transactions Law promulgated by virtue of the Federal Law No. 5 of 1985, as amended;

Federal Law No. 6 of 1985 on Banks, Financial Institutions, and Islamic Investment Companies;

Penal Law promulgated by virtue of the Federal Law No. 3 of 1987, as amended;

Evidence in Civil and Commercial Transactions Law promulgated by virtue of the Federal Law No. 10 of 1992, as amended;

Civil Procedure Law, promulgated by virtue of the Federal Law No. 11 of 1992, as amended;

Criminal Procedure Law, promulgated by virtue of the Federal Law No. 35 of 1992, as amended;

Federal Law No. 37 of 1992 on Trademarks, as amended;

Federal Law No. 9 of 1993 on Controlling Trade in Precious Stones and Metals and Stamping;

Commercial Transactions Law promulgated by virtue of the Federal Law No. 18 of 1993;

Federal Law No. 4 of 2000 on the UAE Securities and Commodities Authority and Market, as amended;

Federal Law No. 28 of 2001 on Establishing the Emirates Specifications and Metrology Authority as amended;

Federal Law No. 7 of 2002 on Copyrights and Neighboring Rights, as amended;

Federal Law No. 17 of 2002 on the Regulation and Protection of Industrial Property for Patents and Industrial Drawings and Patterns, as amended;

Decree Federal Law No. 3 of 2003 Regulating the Telecommunications Sector, as amended;

Federal Law No. 8 of 2004 on Financial Free Zones;

Federal Law No. 1 of 2006 on Electronic Transactions and Commerce;

Federal Law No. 24 of 2006 on Consumer Protection;

Federal Law No. 6 of 2007 on the Establishment and Organizing the Functions of the Insurance Authority; and

Based on the proposal of the Minister of Economy, the approval of the Council of Ministers and the Federal National Council, and the ratification of the Higher Council of the Union;

Promulgate as follows:

Chapter I Article 1 Definitions

In this Law, the following words and expressions shall have the meanings assigned next to them, unless the context otherwise requires:

UAE: United Arab Emirates;

Ministry: Ministry of Economy;

Minister: Minister of Economy;

Competent Authority: The competent local authority;

Sectoral Regulatory Bodies: Federal or local bodies empowered by virtue of their respective regulations to regulate, control, or supervise a certain economic sector in the UAE;

Competition: Practicing economic activities according to the market mechanisms without such mechanisms having any adverse impact on or limitation to commerce and development.

Organization: Any natural or legal person practicing an economic activity, any person associated therewith, or any combination of these persons, regardless of its legal form.

Relevant Market: Commodity or service, or a combination of commodities or services, which, based on their price, characteristics, and methods of use, may be replaced with any other goods or services, or the alternatives of which may be chosen, to meet a specific requirement of consumers in a certain geographical area.

Agreements: Agreements, contracts, arrangements, joint ventures, or practices between two or more organizations, or any cooperation among organizations, or the decisions made by a syndicate of organizations, whether orally or in writing, expressly or implicitly, secretly or in public.

Dominant Position: A position that enables any organization to control, individually or collectively with other organizations, or affect the Relevant Market.

Economic Concentration: Any act that results in a whole or partial transfer (merger or acquisition) of title or usufruct of property, rights, shares, stocks, or obligations of an organization to another organization which would enable an organization or a group of organizations to have direct or indirect control over an organization or a group of other organizations.

Committee: Competition Regulation Committee formed under this Law.

Chapter II Objectives of the Law Article 2

This Law aims to protect and promote competition and anti-monopoly practices through the following:

1. Providing a stimulating environment for Organizations to enhance efficiency, competitiveness and consumer interest and achieve sustainable development in the UAE.
2. Maintaining a competitive market governed by market mechanisms, in accordance with the principle of economic freedom, by prohibiting restrictive Agreements, prohibiting the acts and behaviors that lead to the abuse of a Dominant Position, controlling Economic Concentration operations, and avoiding anything that would endanger, limit or prevent Competition.

Chapter III Applicability Article 3

The provisions of this Law shall apply to the economic activities carried out by the Organizations in the UAE and to the exploitation of intellectual property rights inside and abroad the UAE. This Law shall also apply to the economic activities which are practiced abroad the UAE and affect competition in the UAE.

Article 4

The provisions of this Law shall not apply to:

1. The sectors, activities and works set out in the Appendix to this Law. The Council of Ministers may delete or add any sectors, activities or works to these exclusions.
2. The acts undertaken by the Federal Government or one of the UAE governments, and the acts of the Organizations carried out based on a decision or authorization by the Federal Government or one of the UAE governments, or under the supervision of any of them, including the acts of the Organizations owned or controlled by the Federal Government or any of the UAE governments according to the controls prescribed by the Council of Ministers.
3. Small and medium-sized Organizations in accordance with the controls prescribed by the Council of Ministers.

Chapter IV
Anti-Competition Practices
Article 5
Restrictive Agreements

1. Agreements which have as their subject or objective the abuse, restriction or prevention of competition shall be prohibited, in particular the agreements that aim to:
 - a. fixing, directly or indirectly, purchase or sale prices of goods or services by causing increase, reduction, or fixing of prices, thereby adversely affecting Competition
 - b. determining the terms and conditions of sale, purchase, or performance of services, or any similar transaction.
 - c. collusion in bids or proposals in tenders, practices, and other supply offers.
 - d. freezing or limiting production, development, distribution or marketing, and other investment aspects.
 - e. conspiracy not to purchase from certain organization or organizations, limiting sale or supply to certain organization or organizations, and preventing or obstructing its/their ability to carry out its/their business.
 - f. restricting the freedom of supply of goods or services to the Relevant Market, or removing goods or services from the Relevant Market, including hiding or unlawfully storing goods or services, abstaining from dealing in goods and services, or creating a sudden oversupply that leads to circulating the goods and services at fake prices.
2. Subject to the provisions of the above Federal Law No. 18 of 1981, restrictive Agreements among Organizations, which prejudice, restrict, or prevent Competition, shall be prohibited, including the agreements that are aimed at:
 - a. market sharing, or allocation of clients on the basis of geographical areas, distribution centers, customer quality, seasons, periods of time, or any other basis that adversely affects Competition.
 - b. taking any measures to obstruct the entry of any Organizations to the market, excluding any Organizations from the market, or obstruction of accession to any existing agreements or joint ventures.
3. Save for Sub-clause (a), Clause (1), and Sub-clause (a), Clause 2, the provisions of this Article shall not apply to low-impact agreements in which the total share of the Organizations which are parties to these agreements do not exceed the percentage set by the Council of Ministers of the total transactions in the Relevant Market. The Council of Ministers, based on proposal of the Minister, may increase or reduce this percentage according to the economic situation requirements.

Article 6
Abuse of a Dominant Position

1. No Organization of a Dominant Position in the Relevant Market, or in a substantial or influential part thereof, may carry out any acts or actions that lead to the abuse of this position in order to prejudice, restrict, or prevent Competition, particularly those which have the following subjects or objectives:

- a. directly or indirectly imposing prices or conditions for resale of goods or services;
- b. selling goods or performing services at below cost price with the aim of obstructing the entry of competitive Organizations to the Relevant Market, excluding them, or exposing them to losses that make it hard for them to continue their business;
- c. unjustified discrimination of customers of identical contracts in terms of prices of goods and services, or the terms of sale or purchase contracts;
- d. forcing a customer not to deal with a competitive Organization.
- e. Rejection, in whole or in part, of dealing under the usual commercial terms.
- f. Unjustified abstention from selling or purchasing goods and services, or reducing or obstructing this dealing, thereby imposing a false price.
- g. making the conclusion of a sale or purchase contract or agreement for goods or services conditional on the acceptance of obligations for dealing in other goods or services which by nature or under commercial use are unrelated to the subject of the original dealing or agreement.
- h. disseminating, knowingly, false information about the products or their prices.
- i. increasing or decreasing the available quantities of the product, thereby creating a forced deficit or oversupply of the goods in question.

2. The Dominant Position referred to in Clause 1 of this Article is realized when the share of any Organization exceeds the percentage prescribed by the Council of Ministers of the total transactions in the Relevant Market.

The Council of Minister, upon a proposal by the Minister, may increase or decrease this percentage based on the economic situation requirements.

Article 7

1. Based on the recommendation of the Committee, the Minister shall make a decision to exclude the restrictive Agreements or the practices relevant to a Dominant Position from the provisions of Articles 5 and 6 of this Law, subject to the following conditions:

- a. The relevant Organizations shall notify the Ministry of these Agreements in advance according to the form prepared for this purpose and shall attach the documents prescribed by the Executive Regulation of this Law.
- b. The relevant Organizations shall prove that these restrictive Agreements or the practices relevant to a Dominant Position would enhance economic development, develop the performance of Organizations or their competitive ability, develop production or distribution systems, or realize certain benefits to the consumers.
- c. The Ministry should be notified of any amendments to the restrictive Agreements or the practices relevant to a Dominant Position for which an exception was obtained within thirty days from concluding the draft.

2. The Executive Regulation of this Law shall determine the controls related to notifications and the documents that should be attached to the exclusion application.

3. The Executive Regulation of this Law shall identify the organizational unit concerned with the implementation of the provisions of this Law.

Article 8

1. The Minister shall make its decision referred to in Clause 1 of Article 7 of this Law within ninety days, which may be extended to forty-five days from the date of receiving the notice that satisfies the required conditions. If no decision is issued by the Minister within this period, this shall be considered an implicit acceptance of these restrictive Agreements or the practices relevant to a Dominant Position.
2. The Minister may approve, temporarily and for no more than thirty days, the enforcement of the restrictive Agreements or the practices relevant to a Dominant Position until his final decision thereon is issued.
3. Upon completion of the formal examination of the application and its supporting documents, the Ministry shall issue a notice of the completion of the formal requirements of the application.
4. The Ministry shall examine the application to ensure that the Organizations or the Agreements satisfy the conditions set out in Sub-clauses (a) and (b), Clause 1, of Article 1 of this Law.
5. The Minister may determine the period of the exclusion granted under this Article or make it subject to periodic review.
6. The Minister may make a reasoned decision on the notifications submitted under the provisions of Article 7 of this Law as follows:
 - a. approve or reject the restrictive Agreements or the practices relevant to a Dominant Position, as amended; or
 - b. approve the enforcement of restrictive Agreements or the practices relevant to a Dominant Position, as amended, provided that the relevant Organizations comply with the conditions and obligations established by the Minister for this purpose.
7. The Minister may issue a resolution to cancel the approval in any of the following events:
 - a. If it transpires that the circumstances under which the approval was granted no longer exist.
 - b. If the relevant Organizations fail to satisfy the conditions and requirements based on which the approval was granted.
 - c. If it transpires that the information based on which the approval was granted was misleading or false.

Chapter 5

Economic Concentration

Article 9

1. In order to complete the Economic Concentration operations in which the total share of the Organizations involved in these operations exceeds the percentage set out by the Council of Ministers of the total transactions in the Relevant Market, which may affect the Competition level in the Relevant Market, particularly creating or promoting a Dominant Position, the relevant Organizations shall apply to the Ministry at least thirty days before the completion of these operations, according to the form prepared for this purpose and shall attach the required documents with the application.
2. The Council of Ministers, upon the proposal of the Minister, may increase or reduce the Economic Concentration percentage set out in Clause (1) of this Article according to the Economic Concentration requirements.
3. The Executive Regulation of this Law shall set out the controls related to the Economic Concentration application and the documents to be attached to the application.

Article 10

1. The Ministry shall verify that the Economic Concentration operations set out in Article 9 of this Law are in line with the procedures prescribed by the Executive Regulation of this Law.

2. The Minister shall make his decision referred to in Article 9 of this Law within ninety days, which may be extended to another forty-five days from the date of receiving the completed application that satisfies the required conditions. Within this period, the relevant Organizations shall not carry out any actions or procedures to complete the Economic Concentration operations. If no decision is made by the Minister within this period, the Economic Concentration operations shall be deemed to have been approved implicitly.
3. The Ministry may request additional information related to the Economic Concentration process.

Article 11

1. The Minister may make a reasoned decision concerning the applications filed under Articles 9 and 10 of this Law as follows:
 - a. Approving the Economic Concentration process if it has no adverse impact on Competition or if it has positive economic effects that exceed any negative effects on Competition.
 - b. Approving the Economic Concentration process, provided that the relevant Organizations undertake to implement the conditions and obligations determined by the Minister for this purpose.
 - c. Rejecting the Economic Concentration.
2. The Minister shall make a decision to cancel the approval referred to in Clause 1 of this Article in any of the events referred to in Clause 7 of Article 8 of this Law.

Chapter VI

Competition Regulation Committee

Article 12

A committee called “Competition Regulation Committee” shall be formed under this Law. The Committee shall be chaired by the Undersecretary of the Ministry of Economy. A decision shall be made by the Council of Ministries concerning the formation of the Committee, regulating its work system, term of membership in the Committee, and the remuneration of its members.

Article 13

The Competition Regulation Committee shall have the following mandates:

1. Proposing the policy for the protection of Competition in the UAE.
2. Considering the issues related to the implementation of the provisions of this Law, and raising recommendations thereon to the Ministry.
3. Proposing legislation and procedures related to the protection of Competition and presenting such legislation and procedures to the Minister.
4. Examining the applications presented to the Committee for reconsideration of the decisions made by the Minister within no more than ten days from the date of being notified of the decision.
5. Making recommendations to the Minister on the exclusion of restrictive Agreements or the practices relevant to a Dominant Position.
6. Preparing an annual report on the Committee activities to be presented to the Minister.
7. Any other matters related to the protection of Competition which are referred to the Committee by the Federal authorities or the competent authorities in the UAE.

Chapter VII

Mandates of the Ministry in the Competition Field

Article 14

The Ministry shall have the following mandates related to Competition affairs:

1. Implementing the Competition policy in cooperation with the competent authorities in the UAE.
2. Coordinating with the competent authorities in the UAE to address any form of activities or practices violating the provisions of this Law.
3. Preparing the forms and applications related to the performance of its duties and designating a record for notifications and complaints.
4. Soliciting information and investigating the practices violating Competition, based on complaints or on its own motion, addressing these practices in cooperation with the Competent Authorities, and making recommendations to the Minister on the decisions to be taken in this regard to take the appropriate action.
5. Receiving applications for reconsideration of the decisions made under this Law and taking the appropriate actions concerning these applications.
6. Conducting studies related to Competition in the markets, preparing reports, and providing information to the public.
7. Receiving and following-up the notifications of restrictive Agreements or the practices relevant to a Dominant Position, as amended, and Economic Concentration applications.
8. Retaining experts or consultants from outside the Ministry to perform any works that fall within its mandates.
9. Promoting exchange of information with the authorities concerned with Competition in other countries in order to fulfill the purposes of and implement this Law.
10. Taking measures and procedures to disseminate the culture of Competition and free market principles.
11. Conducting the Executive Secretariat works of the Competition Regulation Committee.
12. Any other tasks relates to Competition referred to the Committee by the Council of Ministries.

Article 15

1. In performing its duties, the Ministry shall:
 - a. Take adequate procedures to ensure the confidentiality of the information to which the Ministry have access or which are provided to the Ministry by business incorporations, the disclosure of which may cause substantial damage to the commercial interests of the business enterprises or their owners, or which may conflict with the public interest.
 - b. Not disclose the information which the Ministry has access to except to the concerned parties or upon request of the Competent Authorities.
2. The Committee shall comply with the obligations of the Ministry set out in this Article.

Chapter VIII

Penalties

Article 16

Any Organization that violates the provisions of Articles 5 and 6 of this Law shall be punished by a fine of no less than AED 500,000 (Dhs. Five Hundred Thousand) and no more than AED 5,000,000 (Dhs. Five Million).

Article 17

Any Organization that violates the provisions of Article 9 of this Law shall be punished by a fine of no less than 2% and no more than 5% of the annual sales volume of goods or service revenues, the subject of violation, which was realized by the violating Organization in the UAE in the last preceding financial year, or by a fine of no less than AED 500,000 (Dhs. Five Hundred Thousand) and no more than AED

5,000,000 (Dhs. Five Million), if it is not possible to determine the total sales or revenues volume, the subject of violation.

Article 18

Any Organization that violates the provisions of Clause 2, Article 10, of this Law shall be punished by a fine of no less than AED 50,000 and no more than AED 500,000 (Dhs. Five Hundred Thousand).

Article 19

Any Organization that violates the provisions of Article 15 of this Law shall be punished by a fine of no less than AED 50,000 (Dhs. Fifty Thousand) and no more than AED 200,000 (Dhs. Two Hundred Thousand).

Article 20

Any Organization that violates any other provision of this Law and its Executive Regulation shall be punished by a fine of no less than AED 10,000 (Dhs. Ten Thousand) and no more than AED 100,000 (Dhs. One Hundred Thousand).

Article 21

The penalties prescribed for the crimes set out in this Law shall be aggravated in the event of recurrence.

Article 22

The court, in the event of conviction, may order the closure of the Organization for no less than three months and for no more than six months, and may order the publication of its decision once or more in at least two local daily newspapers at the expense of the violating Organization.

Article 23

1. The penalties set out in this Law shall not prejudice any more aggravated penalties set out in any other law.
2. The penalties set out in this Law shall not prejudice the right of the harmed party to have recourse to the court to claim compensation for the damage arising from violating any provision of this Law.

Article 24

Competition cases shall be considered on summary basis and the competent court may render a decision to suspend or prevent any act until a final decision is rendered.

Chapter IX General and Closing Provisions

Article 25

Any concerned party may file a complaint with the Ministry concerning any violation of this Law according to the controls set out by the Executive Regulation of this Law and the resolutions issued in implementation of this Law.

Article 26

Save as prescribed in Article 19 of this Law, the criminal case for the crimes set out in this Law may commence only by a written request by the Minister or his authorized deputy.

The Minister, or his authorized deputy, may effect reconciliation in respect of any of these acts before referring the criminal case to trial in consideration for payment of any amount that is not less than double the minimum penalty.

The Executive Regulation shall set out the reconciliation controls.

Article 27

The decisions made by the Minister under the provisions of this Law may be appealed to the competent court within sixty days from the date of notifying the concerned parties of such decisions.

Article 28

The employees who are designated by a resolution by the Minister of Justice, in agreement with the Minister and the Competent Authority, shall act as law enforcement officers to identify the violations of the provisions of this Law, and the regulations and resolutions issued in implementation thereof, within their respective competence.

Article 29

The Ministry shall coordinate the implementation of the provisions of this Law with the Competent Authorities and the Sectoral Organizational Bodies.

Article 30

The Organizations existing at the time of enforcing this Law shall rectify their conditions according to its provisions within no more than six months from the date of its enforcement.

Article 31

Any provision that violates or contradicts the provisions of this Law shall be repealed.

Article 32

The Council of Ministers shall issue the Executive Regulation of this Law and the necessary resolutions for the implementation of its provisions within one month from its enforcement date.

Article 33

This Law shall be published in the Official Gazette and shall come into force within four months from the date of its publication.

Khalifah bin Zayed Al Nahyan
President of the United Arab Emirates

Issued in the Presidential Palace at Abu Dhabi
On: 24 Thu Al-Qidah 1433 H
Corresponding to: 10 October 2012

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7 Thu Al-Hija 1433 H, 23 October 2012

الإمارات العربية المتحدة
وزارة الاقتصاد
UNITED ARAB EMIRATES
MINISTRY OF ECONOMY

Annex

Sectors, Activities and Businesses Excluded from the Provisions of the Federal Law No. 4 of 2012 on the Regulation of Competition

The provisions of this Law shall not apply to any agreement, practice, or business that is related to a particular commodity or service, the regulation of the competition rules of which are granted by another law or regulation to sectoral organizational bodies, unless these sectoral organizational bodies apply to the Ministry in writing to undertake this issue in whole or in part and the Ministry approves this application. These exclusions shall include the following sectors, activities and services:

- a. Telecommunications sector.
- b. Financial sector.
- c. Cultural activities (printed, audio, visual)
- d. Oil and gas sector.
- e. Production and distribution of pharmaceutical products.
- f. Mail services including courier services.
- g. Activities related to the production, distribution and transmission of electricity and water.
- h. Activities related to sewage, garbage disposal, sanitation and similar activities, in addition to environmental services supporting such activities.
- i. Land, sea and air transport sectors, transport by rail and related services.

Resolution of the Council of Ministers No. 37 of 2014
Concerning the Executive Regulation of the
Federal Law No. 4 of 2012 on the Regulation of Competition

The Council of Ministers;
Having perused the Constitution;
Federal Law No. 1 of 1972 on the Jurisdiction of Ministries and Powers of Ministers, as amended;
Federal Law No. 4 of 2012 on the Regulation of Competition; and
Based upon the proposal of the Minister of Economy and the approval of the Council of Ministers;
Resolves as follows:

Article 1

Definitions

In this Law, the following words and expressions shall have the meanings assigned next to them, unless the context otherwise requires:

UAE: United Arab Emirates;

Law: Federal Law No. 4 of 2012 on the Regulation of Competition;

Minister: Minister of Economy;

Competent Authority: The Ministry department concerned with competition.

Organization: Any natural or legal person practicing an economic activity, any associated person, or any combination of these persons, regardless of its legal form.

Relevant Market: Commodity or service, or a combination of commodities or services which, based on their price, characteristics, and methods of use, may be replaced with any other goods or services, or the alternatives of which may be chosen, to meet a specific requirement of consumers in a certain geographical area.

Agreements: Agreements, contracts, arrangements, joint ventures, or practices between two or more organizations, or any cooperation among organizations, or the decisions made by the syndicate of organizations, whether orally or in writing, expressly or implicitly, secretly or in public.

Economic Concentration: Any act that results in a whole or partial transfer (merger or acquisition) of title or usufruct of property, rights, shares, stocks, or obligations of an organization to another organization which would enable an organization or a group of organizations to have direct or indirect control over an organization or a group of other organizations.

Committee: Competition Regulation Committee formed under the provisions of this Law.

Chapter I

Procedures Regulating Exclusions

Article 2

Notification Controls

1. Any organizations that wish to obtain exclusion for restrictive Agreements or practices relevant to a dominant position, set out in Articles 5 and 6 of this Law, shall notify the Competent Authority in advance according to the form prepared by the Competent Authority for this purpose, which shall be attached with the following documents:

- a. Duly certified memorandum of association or articles of associations of the relevant Organizations.
 - b. Statement of the names of shareholders or partners in the relevant Organizations and their respective shareholdings.
 - c. Report on the economic dimensions of the exclusion application that indicates the positive impacts of the exclusion application and its role in promoting economic development.
2. The notification and the documents attached thereto shall be submitted to the Competent Authority signed by the legal representatives of the Organizations that seek exclusion for restrictive Agreements or practices relevant to a dominant position by virtue of a duly certified special power of attorney, with acknowledgment of receipt.
 3. Three copies of the notification shall be submitted in Arabic and a translation into English may be submitted.
 4. Three copies of the documents referred to in Clause 1 of this Article shall be submitted in the original language in which these documents are drafted, attached with a certified translation into Arabic, if the original language is English.
 5. The Organizations that desire to have the information stated in the notification and the documents treated as confidential shall mark the same as “confidential” and shall submit non-confidential summaries of these documents. The summaries shall be sufficient to understand the import of the confidential information and shall be marked as “non-confidential”.
 6. The Competent Authority shall undertake formal examination of the notification and its supporting documents and may request the concerned Organizations to provide any additional documents. Upon completion of the formal examination, the Competent Authority shall issue a notification to the concerned Organizations indicating the completion of the formal requirements of the exclusion.
 7. The Competent Authority shall maintain a special register to keep the notifications of exclusion for restrictive Agreements or practices relevant to a dominant position.

Article 3

Consideration of Notifications

1. The Competent Authority shall consider the exclusion to evaluate the completion of the following procedures by the concerned Organizations:
 - a. Notifying the Ministry in advance of the restrictive Agreements or practices relevant to a dominant position which are requested to be excluded.
 - b. Proving that these Agreements or practices will enhance economic development, improve the performance of the Organizations or their competitive ability, develop production systems or distribution, or achieve certain benefits to consumers.
2. Upon consideration of the exclusion, the Competent Authority may request the relevant parties or Organizations to submit any additional data or information it deems necessary to decide on this exclusion.
3. The Competent Authority may request the parties, which it deems to be likely to be affected by the exclusion, to provide its views and supporting documents on this exclusion, within no more than fifteen (15) days from the date of its notification by the Competent Authority.
4. The Competent Authority shall prepare a detailed report on the exclusion and the documents on which the application is based, and shall evaluate the application from legal and economic aspects, particularly in respect of its impact on the competition level in the Relevant Market, and recommend the proposed decision concerning the application.

5. The Competent Authority shall submit its report referred to in Clause 4 of this Article to the Committee, which shall make its recommendations on the exclusion to the Minister within no more than fourteen (14) days from the date of receiving the report.
6. The Competent Authority may seek the service of any party it deems fit or seek the opinion of any other entities in the UAE to prepare the report referred to in Clause 4 of this Article.

Article 4

The Minister's Decisions on the Exclusion

1. The Minister shall issue his decision as to the exclusion based on the recommendation of the Committee within ninety (90) days from the date of notifying the relevant Organizations that the application is received and that it satisfies the required conditions. The Minister may extend this period to additional forty-five (45) days.
2. If no decision is issued by the Minister within the period referred to in Clause 1 of this Article, this shall be considered as implicit acceptance of the exclusion.
3. The Minister may temporarily approve the enforcement of the restrictive Agreements or the practices relevant to a dominant position until his final decision thereon is issued, provided that these agreements or practices are not enforced for more than thirty days.
4. The Minister may shall make a reasoned decision on the exclusion for restrictive Agreements or practices relevant to a dominant position as follows:
 - a. approve the enforcement of the restrictive Agreements or the practices relevant to a dominant position.
 - b. reject the enforcement of the restrictive Agreements or practices relevant to a dominant position.
 - c. approve the enforcement of the restrictive Agreements or the practices relevant to a dominant position, provided that the relevant Organizations comply with the conditions and obligations established by the Minister for the purpose of implementing the Exclusion.
5. The Minister shall make a decision to cancel the approval referred to in Sub-Clause "a" of Clause 4 of this Article in any of the following events:
 - a. If it transpires that the circumstances under which the approval was granted no longer exist.
 - b. If the relevant Organizations fail to satisfy the conditions and requirements based on which the approval was granted.
 - c. If it transpires that the information based on which the approval was granted was misleading or false.
6. The Competent Authority shall keep a special register for the decisions made by the Minister on the applications for exclusion.

Article 5

Approval of Exclusion Amendment

1. The Organizations that obtained an exclusion concerning restrictive Agreements or practices relevant to a dominant position shall notify the Competent Authority of any draft amendment to these restrictive Agreements or practices relevant to a dominant position within thirty days from concluding the draft.
2. The Competent Authority upon consideration of the proposed amendments to the exclusion may request the relevant parties or the parties which may be affected by the exclusion amendment to provide any additional necessary data or information to decide on the proposed amendments to the exclusion.
3. The Competent Authority shall prepare a detailed report that includes an evaluation from legal and economic aspects of the proposed amendments to the exclusion, particularly in respect of the impact of

the exclusion amendment on the competition level in the Relevant Market, and recommends the proposed decision concerning the requested amendments to the exclusion.

4. The Competent Authority shall submit the report referred to in Clause 3 of this Article to the Minister, no later than 14 (fourteen) days from the date of preparing this report.

5. The Minister shall make his decision on the proposed amendments to the exclusion within 90 (ninety) days from the date of notifying the relevant Organizations of receiving the application that satisfies all required conditions. The Minister may extend this period to additional 45 (forty-five) days.

Article 6

Evaluation of Competition

The Competent Authority shall consider the practices relevant to a dominant position referred to in Articles 6 and 7 of the Law as follows:

1. The Relevant Market.
2. Market share of the relevant Organizations.
3. Revenues and assets of the relevant Organizations.
4. The actual or potential level of competition for a number of competitors.
5. Price or quantitative deviation in goods or services from projected levels in the case of the occurrence of such practices.
6. Volume of production and demand for the relevant goods or services.
7. Level of influence on the aggregate supply or demand for the relevant goods and services.
8. Diversity of the relevant goods and services concerned.
9. Effect of the practices on access to, expansion in, or exit from the market.
10. Ease of access to financial facilities from the capital markets.
11. Length of time during which such practices occurred.
12. Date of competition and rivalry between competitors in a given market.
13. Effect on consumers.

Chapter II

Procedures Organizing Economic Concentration

Article 7

Application for Approval of Economic Concentration

1. The relevant Organizations shall file a written application to obtain the Minister approval on the completion of Economic Concentration operations in which the total share of Organizations or the parties to these operations exceed the percentage determined by the Council of Ministers of the total transactions in the Relevant Market, which may affect the competition level and create or promote a dominant position in the Relevant Market.

2. The application for approval of the Economic Concentration operation shall be filed at least thirty (30) days in advance of the date of concluding the draft contract or agreement on the Economic Concentration according to the form prepared by the Competent Authority for this purpose, to be supported by the following documents:

- a. Duly certified memorandum of association or articles of associations of the relevant Organizations.
- b. The draft contract or agreement related to the Economic Concentration operation.
- c. Duly certified financial statements for the last two years for any of the Organizations concerned with the Economic Concentration operation and the branches of these Organizations.

- d. Statement of the names of shareholders or partners in the relevant Organizations and their respective shareholdings.
 - e. Report on the economic dimensions of the Economic Concentration. The report shall indicate its positive impacts on the Relevant Market and shall set out the obligations and proposed procedures by the relevant Organizations to mitigate any possible negative effects of this operation.
3. The application attached with the documents referred to in Clause 2 of this Article shall be submitted to the Competent Authority signed by the Organization authorized by the Organizations concerned with the Economic Concentration by virtue of a duly certified special power of attorney, with acknowledgment of receipt of the application.
 4. Three copies of the application shall be submitted in Arabic and a translation into English may be submitted.
 5. Three copies of the documents referred to in Clause 2 of this Article shall be submitted in the original language in which these documents are drafted, attached with a certified translation into Arabic, if the original language is English.
 6. The Organizations that desire to have the information stated in the notification and the documents treated as confidential shall mark the same as “confidential” and shall submit non-confidential summaries of these documents, which are sufficient to understand the import of the confidential information and which shall be marked as “non-confidential”.
 7. The Competent Authority shall undertake formal examination of the application for approval of Economic Concentration and its supporting documents. For this purpose, the Competent Authority may request the relevant Organizations to submit any additional documents. Upon completion of the formal examination of the application for approval of the Economic Concentration, the Competent Authority shall notify the relevant Organizations of the completion of the formal requirements of the application.
 8. The Competent Authority shall maintain a special register for the applications for approval of Economic Concentration operation.

Article 8

Consideration of the Application for Economic Concentration

1. The Competent Authority shall consider the application to verify the Economic Concentration process based on the following indicators:
 - a. Actual and potential competition level in the Relevant Market.
 - b. Easy access of new Organizations to the Relevant Market.
 - c. The potential impact on the prices of the relevant goods or services.
 - d. Whether there are regulatory obstacles affecting the entry of new competitors.
 - e. The probability of the emergence of a dominant position in the Relevant Market.
 - f. The potential impact on innovation, creativity and technical competence.
 - g. The extent of contribution to the promotion of investment or export, or supporting the ability of national Organizations to compete internationally.
 - h. The impact on the interests of consumers.
2. Upon consideration of the application for approval of the Economic Concentration process, the Competent Authority may request the relevant parties to provide additional data or information which it deems necessary to decide on the application for approval of the Economic Concentration process.
3. The Competent Authority may request the parties, which it deems to be likely to be affected by the Economic Concentration process, to provide its views and supporting documents on the exclusion application, within no more than fifteen (15) days from the date of its notification.

4. The Competent Authority may request holding meetings with the relevant Organizations or stakeholders to review their opinions and statements on the Economic Concentration process.
5. The Competent Authority shall prepare a detailed report on the application for approval of the Economic Concentration process. The report shall include a statement of all facts and procedures taken concerning the Economic Concentration, the documents on which the approval application is based, and an evaluation of the application from legal and economic aspects, particularly in respect of the positive and negative impact of Economic Concentration on the competition level in the Relevant Market, and shall recommend the proposed decision concerning the application.
6. The Competent Authority may seek the service of any party it deems fit or seek the opinion of any other entities in the UAE to prepare the report referred to in Clause 5 of this Article.
7. The Competent Authority shall present the report to the Minister in order to make the appropriate decision on the application for approval of the Economic Concentration process.

Article 9

The Minister's Decisions on the Applications for Approval of the Economic Concentration Process

1. The Minister shall make his decision as to the application for approval of the Economic Concentration process within ninety (90) days from the date of receiving the completed application that satisfies all the required conditions. The Minister may extend this period to additional forty-five (45) days.
2. If no decision is issued by the Minister within the period referred to in Clause 1 of this Article, this shall be considered as implicit acceptance of the Economic Concentration process.
3. The Minister shall make a reasoned decision on the applications for approval of the Economic Concentration process as follows:
 - a. approve the Economic Concentration process if it has no adverse impact on competition, or if it has positive effects that exceed the negative effects on competition; or
 - b. approve the Economic Concentration process, provided that the relevant Organizations undertake to comply with the conditions and obligations established by a decision by the Minister.
 - c. reject the Economic Concentration process.
4. The Minister shall make a decision to cancel the approval referred to in Clause 3 of this Article in any of the following events:
 - a. If it transpires that the circumstances under which the approval was granted no longer exist.
 - b. If the relevant Organizations fail to satisfy the conditions and requirements based on which the approval was granted.
 - c. If it transpires that the information based on which the approval was granted was misleading or false. In this case, the authority shall take the appropriate legal procedures to pursue and hold the relevant Organizations accountable according to the applicable regulations in this regard.
5. The Competent Authority shall maintain a record for the decisions made by the Minister concerning the applications for Economic Concentration process according to the form prepared by the Competent Authority for this purpose.
6. The relevant Organizations shall be prohibited, within the period set out in Clause 1 of this Article, to conduct any acts or procedures related to the completion of the Economic Concentration process.

Chapter III

Complaint Investigation Procedures

Article 10

1. Any concerned party may file a complaint with the Competent Authority concerning any violation of the provisions of the Law according to the form prepared by the Competent Authority for this purpose.
2. The Competent Authority shall maintain a register for complaints with serial numbers on a first-come-first-entered basis. The register shall indicate the date of filing the complaint, the date of the complaint entry in the register, name of complainant, and the subject of complaint.
3. The complaint shall include the following information:
 - a. The complainant or complainants.
 - b. The party or parties against whom the complaint is filed.
 - c. The law provisions claimed to have been violated.
 - d. The facts related to the violation of the law provisions.
 - e. The practices claimed to have been violated.
 - f. The documents and evidence supporting the complaint.
4. The complaint shall be filed accompanied with the information and documents referred to in Clause 3 of this Article with the Competent Authority, with acknowledgment of receipt of the complaint. The receipt of the complaint shall not be considered as approval of the complaint.
5. The complaint may be filed in writing or online according to the controls set out by the Competent Authority for this purpose.
6. The filed complaint shall be signed by the complainant or complainants, or their legal representatives, by virtue of a duly certified special power of attorney.
7. Three copies of the complaint and the documents referred to in Sub-Clause (f) of Clause 3 of this Article shall be submitted in Arabic and a certified translation into English of the complaint and the documents may be submitted.
8. Three copies of the documents referred to in Sub-Clause (f) of Clause 3 of this Article shall be submitted in the original language in which these documents are drafted, attached with a certified translation into Arabic, if the original language is English.
9. The approval applications filed by the Organizations shall be treated confidentially if they are marked as “confidential”. In this case, summaries of the application which are adequate to understand the content of the confidential information shall be submitted and shall be marked as “non-confidential”.
10. The Competent Authority shall examine the complaint and its supporting documents and may request the complainant to provide it with any information it deems necessary for the examination of the complaint no later than fifteen (15) days from the date of sending the request for information.
11. The Competent Authority, upon completion of the examination of the complaint, shall issue a notification to the complainant as follows:
 - a. Accepting the complaint due to adequate information that permits commencing investigation into the complaint.
 - b. Rejecting the complaint due to inadequate information that permits commencing investigation into the complaint.

Article 11

Automatic Investigation

1. The Competent Authority may, on its own motion, commence investigation into any violation of the provisions of the Law and this Resolution, if it has plausible reasons and adequate information on the existence of any practices that may violate, restrict, or prevent competition, in order to commence investigation about any violation of the provisions of the Law, and its Executive Regulation.
2. The Competent Authority shall take any necessary actions regarding the violations referred to in Clause 1 of this Article in line with the established procedures for investigation into complaints.

Article 12

Complaint Investigation

1. The Competent Authority, upon accepting the complaint, shall notify the parties against whom the complaint is filed, and all concerned parties, of the subject of the complaint within ten (10) days.
2. The notification referred to in Clause 1 of this Article shall include a summary of the most important items of the complaint, in particular:
 - a. The practice which is claimed to violate, prevent, or restrict competition and the violated provisions of the law.
 - b. The defendant's right to defend itself and reply to the allegations stated in the complaint.
 - c. The period of time given to the defendant to submit its reply in writing concerning the practice complained against.
3. The Competent Authority, upon investigating the complaint, shall ensure that the parties relevant to the complaint have adequate opportunities to defend their interests and are enabled to present their defense, points of view, and comments on the allegations, the subject of the complaint.
4. Upon investigating the complaint, the authority may request any information, documents, or statements by the parties relevant to the complaint, or any other parties, which it deems useful for the consideration of the complaint.
5. The Competent Authority shall request obtaining the information no later than thirty days from the date of sending the request for information and may extend this period to a similar period, provided that this does not affect the complaint investigation procedures.
6. The Competent Authority may take any action it deems necessary to investigate the complaint, including holding meetings with the parties relevant to the complaint.

Article 13

The Minister's Decisions on the Complaints

1. The Competent Authority shall prepare a detailed report on the complaint including a statement of all facts and procedures taken by the Competent Authority and a legal evaluation of all information and pleas advanced by the parties relevant to the complaint, and shall recommend the proposed decision concerning the complaint.
2. The Competent Authority shall submit the report referred to in Clause 1 of this Article to the Minister no later than ten days from the date of preparing the report.
3. The Minister shall make a reasoned decision on the complaint within 30 (thirty) days from the date of submitting the report.
4. The Ministry shall inform all parties relevant to the complaint of the Minister's decision no later than ten (10) days from the date the decision is made.

Article 14

Applications for Reconsideration

1. Any concerned party may file a written application with the Minister in order to reconsider the Minister's decisions under the provisions of the Law no later than 14 (fourteen) days from the date of being notified of these decisions. The application shall indicate the reasons justifying the application and shall be attached with supporting documents.
2. The Committee shall consider the application and make its recommendations to the Minister no later than ten (10) days from the date of referring the application to the Committee.

3. The Minister shall either accept or reject the application within thirty (30) days from the date of submitting the application. If no decision is made by the Minister within this period, the application shall be deemed to have been rejected implicitly.

Article 15 Reconciliation

1. Except for the acts that violate the provisions of Article 15 of this Law, the Minister, or its authorized deputy, may effect reconciliation for any acts violating the provisions of the law, provided that the reconciliation is made before commencing the criminal case and payment is made by the parties which have been proved to have violated the provisions of the law of an amount no less than double the minimum limit of the penalty.
2. The reconciliation shall be evidenced in writing and shall be signed by the parties which are proved to have violated the provisions of the Law. The violating parties shall be obliged to pay the amount referred to in Clause 1 of this Article.
3. The reconciliation document copies shall be equal to the reconciliation parties and one copy shall be retained at the Competent Authority.
4. The reconciliation shall be binding on all parties signing the reconciliation. The reconciliation shall be effective only once the parties, which are proved to have violated the law, provide evidence proving their payment of the amount referred to in Clause 1 of this Article.
5. In the event either party refuses to implement the agreed upon reconciliation, the Competent Authority shall refer the violations to the competent court.

Chapter IV Closing Provisions Article 16 Issuance of Decisions

The Minister shall make the necessary executive decisions to enforce the provisions of this Resolution.

Article 17 Repeals

Any provision in any other resolution that is contrary to the provisions of this Resolution shall be repealed.

Article 18 Publication and Enforcement

This Resolution shall come into force from the date of its issuance and shall be published in the Official Gazette.

Mohammad bin Rashid Al Maktoum
Prime Minister

Issued on:
3 Muharam 1436 H
Corresponding to: 27 October 2014