

**The Council of Minister' Resolution No. (37) Of 2014 on the Executive Regulation of
The Federal Law No. (4) Of 2012 Relating to the Competition Regulation**

The Council of Ministers;

- After Perusal of the Constitution,
- And the Federal Law No. (1) of 1972 concerning the Competences of Ministries and the Powers of Ministers, and the amending laws thereto,
- And the Federal Law No. (4) of 2012 relating to the Competition Regulation,
- And based on the proposal submitted by the Minister of Economy as approved by the Council of Ministers,

Hereby Resolves:

**Article (1)
Definitions**

In the course of implementing the provisions of this Resolution, the following words and expressions shall bear the meanings set out against each, unless the context otherwise requires:

UAE: The United Arab Emirates.

The Law: The Federal Law No. (4) Of 2012 concerning the Competition Regulation. The Minister: The Minister of Economy.

The Competent Entity: The Department assigned to Competitions in the Ministry.

The Establishment: any natural or legal person who carries out economic activities, any person associated therewith, or any assembly of such persons regardless of the legal personality thereof.

The Concerned Market: the commodity, service, collection of commodities or services which are deemed substitutable by virtue of price, characteristics or means of use thereof, or which allow for alternatives in the course of election of the same; in order to meet a certain need of the consumer in a specific geographical area.

The Agreements: agreements, contracts, arrangements, alliances or practices ensuing between two or more establishments, any cooperation between establishments or the resolutions issued by the assembly of establishments, whether written, verbal, explicit, implicit, public or confidential.

The Dominant Condition: the condition by which any establishment is able severally or jointly with other establishments to control or influence a certain market.

Economic Centralism: any disposition resulting in the conveyance in whole or in part (merger or acquisition) of ownership, usufruct rights of other property, rights, stocks, shares or obligations of one establishment to another, whereby a certain establishment or a number of the same is able to control another establishment or a collection thereof (in)directly.

The Committee: the competition regulation committee, as formed in accordance with the provisions of the law.

**Chapter One
Regulation Procedures for Exceptions**

**Article (2)
Controls of Notifications**

1. Establishments which desire to obtain an exception from restrictive agreements or practices of relevance to a dominant condition as stipulated in Articles (5) and (6) of the law, shall notify the competent entity of the same in advance, in accordance with the form prepared by such entity to that effect, provided that the following documents are attached thereto:
 - A. The articles of incorporation or the statute of the respective establishments, to be duly notarized.

- B. A statement of the names of stakeholders or partners in each of the respective establishments in addition to the holdings or shares thereof.
 - C. A report on the economic effects of the exception application, stating the advantages of the same and the role thereof in promoting economic development.
2. The said notification and the enclosed documents shall be submitted to the competent entities and shall be signed by the legal representatives of the establishments which desire to obtain an exception from restrictive agreements or practices of relevance to a dominant condition; for the said to take place under a duly notarized special power of attorney, against a receipt of the same.
 3. Three counterparts of the notification shall be submitted in Arabic language, where it is permissible to submit an English translation of the same.
 4. Three counterparts of the documents referred to in Clause (1) of this Article shall be submitted in the original language under which they have been issued, provided that an Arabic translation of the same shall be provided should the original language be a foreign one.
 5. Establishments, which wish for the statements included in the notification and the documents enclosed therewith to be treated confidentially, shall mark the same with the word (confidential), and shall provide non-confidential briefs thereon of adequacy to explain the contents of the confidential material, marking same with the words (non-confidential).
 6. The competent entity shall assume the examination of the formalities of the notification and the supporting documents thereof, it may request relevant establishments to submit any further documents, provided that it issues (upon concluding the formalities' examination) a notification for the concerned establishments stating that the formalities of the exception notification have been met.
 7. The competent entity shall maintain a special record; in which it shall keep notifications of exception from restrictive agreements or practices of relevance to a dominant condition.

Article (3)

Examining Notifications

1. The competent entity shall examine the exception to determine the extent to which concerned establishments meet the following procedures:
 - A. The prior notification of the Ministry as to the restrictive agreements or practices of relevance to a dominant condition, subject of exception.
 - B. Establish that such agreements or practices shall lead to promoting economic development, improving performance and competitive capacity of establishments, developing production or distribution systems, or to realizing certain benefits for the consumer.
2. Upon examining the exception, the competent entity may request the concerned entities or establishments to submit any additional statements or information deemed necessary thereby to rule on the said exception.
3. The competent entity may request parties which would (per the said entity's estimation) be affected by the exception, to provide the observations and supporting statements thereupon within a term of no more than (15) fifteen days as of the date of being notified by the competent entity.
4. The competent entity shall prepare a detailed report on the exception, including a statement of all facts and procedures that shall be applied thereupon and the statements on which the application is based. It shall further evaluate the application from legal and economic standpoints; especially the impact thereof on competition levels in the respective market, and submit a recommendation on the proposed resolution concerning the said application.
5. The competent entity shall submit the report referred to in Clause (4) of this Article to the committee which shall submit the recommendations thereof concerning the exception to the Minister within a term of no more than (14) fourteen days as of the date of receiving the report.

6. The committee shall be entitled to seek the assistance of the person it deems fit, or seek the consultation of other entities of the State in order to complete the report referred to Clause (4) of this Article.

Article (4)

The Minister's Resolutions Concerning the Exception

1. The Minister shall issue the resolution thereof based on the committee's recommendation within a term of (90) ninety days as of the date of notifying the concerned entities of receiving the application and the fulfillment thereof to all required conditions; however, the Minister may extend the said term for additional (45) forty-five days.
2. The non-issuance of the Minister to the resolution within the term referred to in Clause (1) of this Article shall be deemed an implicit approval of the exception.
3. The Minister may provisionally approve implementing restrictive agreements or practices of relevance to a dominant condition until the issuance of the final resolution in this regard; provided that the implementation term of such agreements or practices shall not exceed (30) thirty days.
4. The Minister shall issue a justified resolution concerning the exception applications from restrictive agreements or practices of relevance to a dominant condition; in the following manner:
 - A. Approve the implementation of restrictive agreements or practices of relevance to a dominant condition.
 - B. Refuse the implementation of restrictive agreements or practices of relevance to a dominant condition.
 - C. Approve the implementation of restrictive agreements or practices of relevance to a dominant condition provided that the concerned establishments undertake to implement the conditions and obligations specified by the Minister to the effect of implementing the exception.
5. The Minister shall issue a resolution to abolish the approval referred to in Paragraph (A) of Clause (4) of this Article in any of the following cases:
 - A. Should it be established that the conditions under which the approval has been issued no longer stand.
 - B. Should the concerned establishments fail to meet the conditions and requirements based on which the approval has been granted?
 - C. Should it be established that the information under which the approval has been issued has been misleading or inaccurate.
6. The competent entity shall maintain a special record for the resolutions issued by the Minister concerning the exceptions' applications.

Article (5)

Approving the Amendment of the Exception

1. Establishments which have obtained an exception concerning restrictive agreements or practices of relevance to a dominant condition shall notify the competent entity of any intention to amend these restrictive agreements or practices of relevance to a dominant condition within (30) thirty days as of the date of concluding the same.
2. Upon examining the proposed amendments of the exception, the competent entity shall be entitled to request concerned parties or parties which would be affected by such amendment to submit any additional statements or information deemed necessary to rule on the proposed amendments of the exception.
3. The competent entity shall prepare a detailed report including a legal and economic evaluation of the proposed amendments of the exception, especially the effects of amending the exception on

the competition level in the concerned market, and shall submit a recommendation on the proposed resolution as to the amendments of the exception.

4. The competent entity shall submit the report referred to in Clause (3) of this Article to the Minister within a term of no more than (14) fourteen days as of the date of preparing the report in question.
5. The Minister shall issue the resolution thereof on the exception's proposed amendments within a term of (90) ninety days as of the date of notifying the concerned entities of receiving the application and the fulfillment thereof to all required conditions; however, the Minister may extend the said term for additional (45) forty-five days.

Article (6)

Competition's Evaluation

The competent entity shall assume considering the practices of relevance to a dominant condition referred to in Articles (6) and (7) of the law, in accordance with the following:

1. The concerned market.
2. The market shares of concerned establishments.
3. The revenues and assets of concerned establishments.
4. The level of the actual or potential competition versus the number of competitors.
5. The deviations of commodities or services in terms of quotation or quantity from the predicted levels, in case said practices are not implemented.
6. The volume of production and demand of the concerned commodities or services.
7. The level of influence of the same on the overall supply and demand of the concerned commodities or services.
8. The extent of variety of the concerned commodities or services.
9. The effect of such practices on taking part, expanding or withdrawing from the market.
10. The level of facilitated access to financial facilitations of capital markets.
11. The timeframe during which such practices took place.
12. The date of competition and competition among competitors in a certain market.
13. The impact on consumers.

Chapter Two

Procedures Regulating Economic Centralism

Article (7)

Submitting an Application for Approving the Economic Centralism Process

1. The concerned establishments shall submit a written application to obtain the Minister's approval as to completing economic centralism processes which total share of establishments or parties thereof exceeds the percentage specified by the Council of Ministers of the total transactions of the respective market, which may affect the competition level, create or promote a dominant condition in the relevant market.
2. The application for approval on the economic centralism process shall be submitted at least (30) thirty days before the date of concluding the contract or the agreement concerning the economic centralism process, in accordance with the form prepared by the competent entity to that effect, provided that the following documents shall be enclosed therewith:
 - A. The articles of incorporation or the statute of the respective establishments, to be duly notarized.
 - B. The draft contract or agreement concerning the economic centralism process.

- C. The financial statements of the last two fiscal years for any of the establishments concerned with the economic centralism process and the branches thereof, to be duly notarized.
 - D. A statement of the names of stakeholders or partners in each of the respective establishments in addition to the holdings or shares thereof.
 - E. A report on the economic effects of the economic centralism process, stating the advantages of thereof on the respective market, and including the obligations and procedures proposed by the concerned establishments to eliminate potential disadvantages of the same.
3. The application shall be submitted together with the documents referred to in Clause (2) of this Article to the competent entity through the establishment authorized by the establishments concerned with the economic centralism process; for the said to take place under a duly notarized special power of attorney, against a receipt of the same.
 4. Three counterparts of the application shall be submitted in Arabic language, where it is permissible to submit an English translation of the same.
 5. Three counterparts of the documents referred to in Clause (2) of this Article shall be submitted in the original language under which they have been issued, provided that an Arabic translation of the same shall be provided should the original language be a foreign one.
 6. Approval applications submitted by establishments shall be treated confidentially should the word (confidential) be marked thereupon, where non-confidential briefs of adequacy to explain the contents of the confidential material shall be submitted marking same with the words (non-confidential).
 7. The competent entity shall assume the examination of the formalities of the application for approval on the economic centralism process and the supporting documents thereof. To that effect, it may request relevant establishments to submit any further documents, provided that it issues (upon concluding the formalities' examination of the application for approval on the economic centralism process) a notification for the concerned establishments stating that the formalities' requirements of the said application have been met.
 8. The competent entity shall maintain a special record; in which it shall keep applications of approval on the economic centralism process.

Article (8)

Examining the Application for Approval on the Economic Centralism Process

1. The competent entity shall examine the application for approval on the economic centralism process based on the following indicators:
 - A. The level of actual and potential competition in the respective market.
 - B. The extent of facilitated access of new establishments to the respective market.
 - C. The extent of the potential impact on the prices of the respective commodities or services.
 - D. The extent to which regulatory impediments affect the access of new competitors to the market.
 - E. The potential of the creation of a dominant condition in the respective market.
 - F. The extent of the potential effect on creativity, innovation and technical efficiency.
 - G. The extent of contribution to investment promotion, export promotion or supporting the capacity of national establishments as to competing on an international level.
 - H. The effect thereof on consumers' interests.
2. Upon examining the application for approval on the economic centralism process, the competent entity may request the concerned parties to submit any additional statements or information deemed necessary thereby to rule on the economic centralism process.

3. The competent entity may request parties which would (per the said entity's estimation) be affected by the economic centralism process, to provide the observations and supporting statements thereupon within a term of no more than (15) fifteen days as of the date of being notified by the competent entity.
4. The competent entity may hold meetings with the respective establishments or stakeholders in order to examine their views and statements on the economic centralism process.
5. The competent entity shall prepare a detailed report on the application for approval on the economic centralism process, including a statement of all facts and procedures that shall be applied thereupon and the statements on which the application is based. It shall further evaluate the application from legal and economic standpoints; especially the positive and negative impacts of the economic centralism process on competition levels in the respective market, and submit a recommendation on the proposed resolution concerning the said application.
6. The committee shall be entitled to seek the assistance of the person it deems fit, or seek the consultation of other entities of the State in order to complete the report referred to Clause (5) of this Article.
7. The competent entity shall submit the report to the Minister for the latter to take the appropriate decision as to the application for approval on the economic centralism process.

Article (9)

The Minister's Resolution Concerning Applications for Approval on the Economic Centralism Process

1. The Minister shall issue the resolution thereof concerning the applications for approval on the economic centralism process within a term of (90) ninety days as of the date of receipt of the complete application which meets all required conditions; however, the Minister may extend the said term for additional (45) forty-five days.
2. The non-issuance of the Minister to the resolution within the term referred to in Clause (1) of this Article shall be deemed an implicit approval of the economic centralism process.
3. The Minister shall issue a justified resolution concerning the applications for approval on the economic centralism process; in the following manner:
 - A. Approve the economic centralism process should the same not affect the competition negatively, or should it have positive impact outweighing the negative impact thereof.
 - B. Approve the economic centralism process, provided that the concerned establishments undertake to implement the conditions and obligations pertaining to which specification a Minister's resolution shall be issued.
 - C. Turn down the economic centralism process.
4. The Minister shall issue a resolution to abolish the approval referred to in Clause (3) of this Article in any of the following cases:
 - A. Should it be established that the conditions under which the approval has been issued no longer stand.
 - B. Should the concerned establishments fail to meet the conditions and requirements based on which the approval has been granted?
 - C. Should it be established that the information under which the approval has been issued has been misleading or inaccurate; in which case the competent entity shall take the appropriate legal action to prosecute the concerned establishments and hold the same accountable in accordance with the applicable legislation in this regard.

5. The competent entity shall maintain a special record for the resolutions issued by the Minister concerning the applications for approval on the economic centralism process, in accordance with the form prepared by the competent entity to that effect.
6. The concerned establishments shall be prohibited during the term referred to in Clause (1) of this Article, from carrying out any disposition or procedure concerning the completion of the economic centralism process.

Chapter Three
Procedures Regulating Examining Complaints
Article (10)
Filing Complaints

1. Every stakeholder shall be entitled to file a complaint before the competent entity concerning any violation of the provisions of the law, in accordance with the form prepared by the competent entity to that effect.
2. The competent entity shall maintain a complaints' record in serial numbers as per the sequential order of filing, in which the date of filing the complaint, the date of entering the same into the record, the name of the complainant and the subject matter thereof shall be stated.
3. The complaint shall include the following statements and information:
 - A. The complainant party(s).
 - B. The defendant party(s).
 - C. Legal texts regarding which violation a complaint has been filed.
 - D. Facts of relevance to violating the provisions of the law.
 - E. Practices which are claimed to violate the provisions of the law.
 - F. Evidence and supporting documents of the case.
4. The complaint shall be filed together with the statements and information referred to in Clause (3) of this Article to the competent entity against a receipt of the same, where such receipt shall not serve as an approval of the complaint.
5. The complaint shall be filed in writing or electronically, in accordance with the controls specified by the competent entity to this effect.
6. The complaint shall be duly signed by the complainant party(s), or the respective legal representative of the same under a duly notarized power of attorney.
7. Three counterparts of the complaint, the evidence and documents referred to in Paragraph (F) of Clause (3) of this Article shall be submitted in Arabic, where English translation of the same may be submitted.
8. The documents referred to in Paragraph (F) of Clause (3) of this Article shall be submitted in the original language under which they have been issued, provided that an Arabic translation of the same shall be provided should the original language be a foreign one.
9. Approval applications submitted by establishments shall be treated confidentially should the word (confidential) be marked thereupon, where non-confidential briefs of adequacy to explain the contents of the confidential material shall be submitted marking same with the words (non-confidential).
10. The competent entity shall assume examining the complaint and the supporting documents of the same, where it may request the complainant to submit any statements deemed necessary thereby

to examine the complaint within a term of no more than (15) fifteen days as of the date of requesting such statements.

11. Upon concluding the complaint examination, the competent entity shall issue a notification for the complainant, in the following manner:
 - A. Approve the complaint in view of the existence of adequate fundamentals which permit initiating the investigation thereof.
 - B. Reject the complaint in view of inadequate fundamentals which permit initiating the investigation thereof.

Article (11) **Autonomous Investigation**

1. The competent entity may on its own initiative commence with conducting an investigation concerning any violation to the provisions of the law and this Resolution in case it has available reasonable grounds and fundamentals as to the existence of practices which breach, eliminate, or impede competition.
2. The competent entity shall take all the necessary measures concerning the violation referred to in Clause (1) of this Article, in accordance with the stipulated procedures for complaints' examination.

Article (12) **Complaints' Investigation**

1. Upon admitting the complaint, the competent entity shall notify the defendants and all stakeholders (parties to the complaint), of the subject of the complaint within (10) ten days.
2. The notification referred to in Clause (1) of this Article shall include a summary of the most important aspects of the complaint, namely:
 - A. The practice alleged to breach, eliminate, or impede competition, and the legal provisions violated thereby.
 - B. The right of the defendant to self-defense and contestation of the allegations stated in the complaint.
 - C. The term allowed for the defendant to submit a written defense concerning the practice subject of the complaint.
3. The competent entity shall investigate the complaint based on the statements, information and documents submitted by the parties of relevance.
4. Upon investigating the complaint, the competent entity shall observe granting the opportunity for all parties to the complaint to defend the interests thereof, and enabling the same to submit the defenses, views and comments concerning the allegations subject of the complaint.
5. Upon investigating the complaint, the competent entity may request any data, documents or statements which it deems of assistance in examining the complaint from the parties to the complaint or other parties.
6. The competent entity shall request the said data within a term of no more than (30) thirty days as of the date of sending the request for the same, where it may extend this term for a similar period provided that such measure shall not affect the course of investigating the complaint.
7. The competent entity may take any measure it deems necessary to examine the complaint, including holding meetings for parties of relevance.

Article (13)
The Minister's Resolutions Concerning Complaints

1. The competent entity shall prepare a detailed report concerning the complaint, including a statement of all facts and procedures adopted thereby and a legal evaluation of all statements, information and defenses submitted by the parties of relevance, over and above a recommendation of the proposed resolution concerning the complaint.
2. The competent entity shall submit the report referred to in Clause (1) of this Article to the Minister within a term of no more than (10) ten days as of the date of finalizing the same.
3. The Minister shall issue a justified resolution concerning the complaint within (30) thirty days as of the date of submitting the report.
4. The Ministry shall notify all parties of relevance to the complaint of the Minister's resolution within a term of no more than (10) ten days as of the date of issuance of the same.

Article (14)
Re-examination Applications

1. Each stakeholder may submit a written application to the Minister concerning re-examining the resolutions issued thereby under the provisions of the law, within a term of no more than (14) fourteen days as of the date of being notified of the same, provided that such stakeholder shall include the justifying grounds of submission and enclose the supporting documents thereof in the said application.
2. The committee shall examine the application and submit its recommendation thereon to the Minister within a term of no more than (10) ten days as of the date of referring such application thereto.
3. The Minister shall rule on the application by approval or rejection within (30) thirty days as of the date submitting the same, where the non-issuance of the Minister to the resolution within the said term shall be deemed an implicit approval of the application.

Article (15)
Conciliation

1. Except for the actions which take place in violation of the provisions of Article (15) of the law, the Minister or the authorized deputy thereof may hold conciliation regarding any actions which violate the provisions of the law, provided that such measure takes place prior to filing a penal case in this regard, and upon the payment of the parties, whose violation to the provisions of the law has been established, to an amount of no less than twofold the minimum applicable fine.
2. The conciliation shall take place in writing and shall be duly signed by the parties whose violation to the provisions of the law has been established, in addition to their obligation to the settlement of the amount referred to in Clause (1) of this Article.
3. The conciliation counterparts shall match the number of the conciliation parties, provided that one copy of the same shall be kept with the competent entity.
4. The conciliation shall be binding to all parties signing thereupon, and shall not enter into force unless the parties, whose violation to the provisions of the law has been established, submit an indication of their settlement of the amount referred to in Clause (1) of this Article.
5. In case either of the parties refrains from implementing the particularities subject of the conciliation, the competent entity shall refer the violations thereof to the competent court.

Chapter Four
Final Provisions
Article (16)
Issuance of Resolutions

The Minister shall issue the executive resolutions deemed necessary for implementing the provisions of this Resolution.

Article (17)
Abolishment

Any provision in any other resolution which is deemed to conflict with the provisions of this Resolution shall be abolished to the extent of conflict with the same.

Article (18)
Publication and Enforceability

This Resolution shall enter into force as of the date of issuance and shall be published in the Official Gazette.

Mohammed bin Rashid Al Maktoum
Prime Minister

Issued by us:

On 3 Muharram 1436 AH

Corresponding to 27 October 2014 AD