

United Arab Emirates

The Cabinet

Cabinet Resolution No. (57) of 2024 on the Administrative Violations and Penalties for Acts Violating the provisions of Cabinet Resolution No. (56) of 2024 Concerning the Telemarketing Regulations

The Cabinet,

- Upon reviewing the Constitution; and
- Federal Law No. (1) of 1972, Concerning the Competences of Ministries and Capacities of Ministers, as amended; and
- Federal Law No. (14) of 2016, Concerning the Administrative Violations and Penalties in the Federal Government; and
- Federal Decree-Law No. (14) of 2018 Concerning the Central Bank and Regulation of Financial Institutions and Activities, and amendments thereof; and
- Federal Decree-Law No. (48) of 2023, Concerning the Regulation of Insurance Business; and
- Cabinet Resolution No. (56) of 2024 Concerning the Telemarketing Regulations; and
- Based on the proposal of the Minister of Finance and the Approval of the Cabinet,

Has resolved as follows:

Article (1)

Definitions

In application of provisions of this Resolution, definitions set forth in Cabinet Resolution No. (56) of 2024 on the Telemarketing Regulations, unless the context requires otherwise.

Article (2)

Scope of Application

Without prejudice to any severer penalty stipulated in legislations applicable in the State, provisions of this Resolution shall be enforced on any actions committed in violation of Cabinet Resolution No. (56) of 2024 on the Telemarketing Regulations.

Article (3)

Administrative Penalties

First: Administrative penalties imposed by the competent authorities on companies:

- 1- The competent authority may, subject to competences assigned in accordance with the aforementioned Cabinet Resolution No. (56) of 2024, impose administrative penalty or penalties with respect to any of the actions committed by companies in violation of the aforementioned Cabinet Resolution No. (56) of 2024 in a way that take gradation of penalties into account as follows:
 - a. Warning.
 - b. The administrative fine according to Table No. (1) attached to this Resolution.
 - c. Total or partial suspension of activity for a period not less than (7) seven days and not exceeding (90) ninety days.
 - d. Cancellation of license and deletion from the commercial register, cutting communications services and removing the phone number.
- 2- The decision issued to impose an administrative penalty shall determine the period required for the violator to remove or remedy the violation under the applicable administrative penalty in case the violating company abstains to remove or remedy the violation. This is provided that gradation in penalties stipulated in Clause (1) of this Article shall be considered.
- 3- The competent authority may, pursuant to the assigned competences, choose not to follow the gradation in penalties stipulated in Clauses (1) and (2) of this Article and impose the most severe administrative penalty in case the violating company commits the same violation that was the subject of a previous administrative penalty within (6) six months from the date of imposing the administrative penalty.

Second: Administrative penalties imposed by the Authority on natural persons.

- 1- The Authority may, in coordination with telecommunications companies licensed to operate in the State, impose administrative penalty or penalties with respect to a violation of a natural person for blocking marketing phone calls in violation of provisions of the aforementioned Cabinet Resolution No. (56) of 2024, taking into account the penalties stipulated in Table No. (2) attached to this Resolution.
- 2- The authority may, in coordination with the telecommunications companies licensed to operate in the State, choose not to follow the gradation in penalties stipulated in Table (2) attached to this Resolution and impose the most severe administrative penalty in case the violating natural person commits the same violation that was the subject of a previous administrative

penalty for the third time. In all cases, a decision to impose the administrative penalty as stipulated in Clauses (First) and (Second) above, shall be issued by the Head of the competent authority, the Head of the Authority (as the case may be) or his delegate.

Third: Administrative penalties imposed by the Central Bank on companies and natural persons:

The Central Bank shall, upon the approval of the Cabinet, develop a regulation for the administrative violations and penalties imposed on companies that violate provisions of Cabinet Resolution No. (56) of 2024 Concerning the Telemarketing Regulations pursuant to competences assigned to the Central Bank subject to Clause (1) of Article (9) of the aforementioned Cabinet Resolution No. (56) of 2024.

Article (4)

Fines Amendment

The Cabinet has the power to make or amend the fines mentioned in this Resolution, whether by addition, deletion or amendment. This shall be based on a proposal from the Minister, upon coordination with the Ministry of Finance and the competent authorities.

Article (5)

Fines Collection

- 1- The Federal competent authority shall collect fines imposed by the same authority subject to this Resolution at the treasury of the State according to the mechanism decided by the Ministry of Finance.
- 2- As an exception from clause (1) of this article, the Central Bank shall collect the fines the Bank imposes subject to the regulation of administrative violations and penalties issued pursuant to Clause (Third) of Article (3) of this Resolution according to the mechanism decided by the Bank in this respect.
- 3- The local competent authority shall collect fines imposed by the same authority subject to this Resolution to the treasury of the local government according to the mechanism applicable at every Emirate.

Article (6)

Appeal

1. Every stakeholder may appeal in writing or electronically to the Head of the competent authority or the Head of the Authority, pursuant to competence assigned, against the administrative penalty taken against such stakeholder within (15) fifteen days as of the notice date of the appealed administrative

penalty, provided that such appeal shall be attached with all papers and supporting documents. Such appeal shall be decided on within (30) thirty days as of the submission date. Receiving no reply during the above period shall be deemed a rejection, provided that the appellant shall be notified with the decision and its grounds in case of explicit or implicit rejection.

2. As an exception from clause (1) of this article, administrative violations and penalties imposed the Central Bank may be appealed based on Clause (Third) of Article (3) of this Resolution according to the mechanism decided by the Central Bank in this respect.

Article (7)

Publication and Enforcement

This Resolution shall be published in the Official Gazette and shall be enforced after (60) sixty days as of the date of publication.

Mohammed bin Rashid Al Maktoum, Prime Minister (Stamped and Signed)

<p>Issued by Us: Dated: 04 Dhul-Hijjah 1445 H Corresponding to June 10, 2024</p>

Table No. (1) Annexed to Cabinet Resolution No. (57) of 2024 on the Administrative Violations and Penalties Imposed on Companies that Violate the Provisions of Cabinet Resolution No. (56) of 2024 on the Telemarketing Regulations

#	Violation Description	Legal Reference	Administrative Fine (AED)		
			First Time	Second Time	Third Time
1	Failure to obtain prior approval to practice telemarketing activities from the competent authority	Article (4) Clause (1)	75,000	100,000	150,000
2	No provision of comprehensive training to the company's marketers on code of conduct in making marketing calls with consumers and basic principles of using DNCR.	Article (4) Clause (2)	10,000	25,000	50,000
3	Phone marketing for products of services through numbers that are not registered under the commercial license of the company that is licensed to operate in the State.	Article (4) Clause (3)	25,000	50,000	75,000
4	Calling for the purpose of marketing products or services for consumers whose numbers are included in the DNCR.	Article (4) Clause (5)	50,000	75,000	150,000

5	Failure to keep a register for all marketing phone calls made according to the form prepared by the competent authority.	Article (4) Clause (6)	10,000	25,000	50,000
6	Failure to record marketing phone calls with the consumer.	Article (4) Clause (7)	10,000	25,000	50,000
7	Failure to notify the consumer with recording the marketing phone calls at the start of the call.	Article (4) Clause (7)	10,000	20,000	30,000
8	Failure to provide periodical reports to the competent authority concerning the marketing phone calls that were made within a month as of maturity date of the report.	Article (4) Clause (8)	10,000	20,000	30,000
9	No identification for the company and the purpose of the call at the beginning of the marketing phone call.	Article (4) Clause (11)	10,000	20,000	30,000
10	Failure to disclose the source from which phone numbers and data of the consumer were obtained when requested by the competent authority.	Article (4) Clause (12)	25,000	50,000	75,000
11	Using marketing methods that form unreasonable pressures on the consumer to persuade him with the product or service.	Article (5) Clause (1)	10,000	25,000	50,000
12	Using fraud and cheating while phone marketing the product or service to the consumer.	Article (5) Clause (2)	25,000	50,000	75,000

13	Making phone calls for the purpose of marketing not within the designated period from 9:00 am to 6:00 pm.	Article (5) Clause (3)	10,000	25,000	50,000
14	Calling back when the consumer refuses the product or service in the first call.	Article (5) Clause (4)	10,000	25,000	50,000
15	Calling back when the consumer does not answer or rend the call more than one time per day and more than two times per week.	Article (5) Clause (5)	10,000	25,000	50,000
16	Using automatic calling or marketing, promotion and advertisement of products or services provided by the company in violation of provisions of this Resolution.	Article (5) Clause (6)	10,000	25,000	50,000
17	No question about the consumer's desire to complete the phone call or not before starting marketing, promotion and advertising the product or the service provided.	Article (5) Clause (7)	10,000	20,000	30,000
18	Disclosing personal data of the consumer without his consent, or trading such data for the purpose of reprocessing in order to be used in marketing phone calls.	Article (6) Clause (4)	50,000	75,000	150,000

Table No. (2) Annexed to Cabinet Resolution No. (57) of 2024 on the Administrative Violations and Penalties Imposed on Natural Persons Violating the Provisions of Cabinet Resolution No. (56) of 2024 on the Telemarketing Regulations

#	Violation Description	Legal Reference	Administrative Penalty		
			First Time	Second Time	Third Time
1	Making marketing phone calls by the natural person for products or services in his name or the name of is delegate through a number of a fixed or mobile phone that is licensed in the name of such natural person.	Article (3)- Clause (2)	AED 5,000, in addition to cutting all numbers of fixed or mobile phones that are registered under the natural person's name until the payment of the due financial fine.	AED 20,000, in addition to cutting all numbers of fixed or mobile phones that are registered under the natural person's name for (3) three months in case such person commits the same violation within (30) thirty days from the date on which the administrative penalty is imposed at the first time.	AED 50,000, in addition to preventing the natural person to get any service from the telecommunications companies that are licensed in the State for (12) twelve months in case such person commits the same violation within (30) thirty days from the date on which the administrative penalty is imposed at the second time.