

**Cabinet Decision No. 83/2023**  
**On the Procedures, Controls and Conditions Required for the Practice of**  
**Commercial Agency Business by Public Joint Stock Companies**

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Type	Law
Issued on	20 Jul 2023 (corresponding to 2 Muharram 1445 H)
Nature	Cabinet Decision
Jurisdiction	United Arab Emirates

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Document link: [https://www.lexismiddleeast.com/law/UnitedArabEmirates/CabinetDecision\\_83\\_2023](https://www.lexismiddleeast.com/law/UnitedArabEmirates/CabinetDecision_83_2023)



The Cabinet,

Pursuant to the perusal of the Constitution;

Based on the proposal of the Minister of Economy, and its approval by the Cabinet,

Has decided:

### **Article 1 - Definitions**

The definitions contained in Federal Law No. 3/2022 on the Regulation of Commercial Agencies shall apply to the present Decision. Otherwise, the following terms and expressions shall have the meanings assigned thereto, unless the context requires otherwise:

- Public Joint Stock Company: Public joint stock company established in the State according to the provisions of Federal Decree-Law No. 32/2021 on Commercial Companies.
- Electronic Services Platform: An electronic platform dedicated to registering commercial agencies in the Commercial Agencies Register.
- Law: Federal Law No. 3/2022 on the Regulation of Commercial Agencies.

### **Article 2 - Conditions and Controls Required for the Practice of Commercial Agency Business by Public Joint Stock Company**

The following conditions and controls shall be met for the practice of commercial agency business by public joint stock company:

- 1- The shareholding by the State nationals shall not be less than (51%) of its capital.
- 2- Preserving the legal form of the public joint stock company throughout its commercial agency business.
- 3- Its activity and the purpose for which it was established shall be to carry out the commercial agency business.
- 4- Carrying out the commercial agency business by itself.
- 5- The nature, objectives and activity of the public joint stock company shall be related to the nature and objectives of the commercial agency contract.
- 6- The public joint stock company may register more than one commercial agency with more than one commercial agent as long as the nature of those commercial contracts is consistent with the nature, objectives and activities of the public joint stock company.
- 7- Meeting the necessary requirements regarding registration in the Commercial Agencies Register at the Ministry.
- 8- Meeting the necessary conditions and requirements from the competent authorities and any of the official authorities in the State, including the Securities and Commodities Authority, whenever necessary, due to the nature of the commodity or service subject of the commercial agency or company contract.
- 9- Providing the Ministry with the information it needs.
- 10- Notifying the Ministry immediately of any change that occurs to any of the conditions and controls referred to in this Article, as well as any change that may affect the company.

### **Article 3 - Procedures of Practising Commercial Agency Activities**

1- The public joint stock company shall be prohibited from practising commercial agency activities in the State unless it is registered in the Commercial Agencies Register at the Ministry. Any commercial agency that is not registered in this Register shall not be deemed valid.

2- The public joint stock company shall register the commercial agency through the electronic services platform of the Ministry of Economy, according to the request to register the commercial agency in the Commercial Agencies Register.

3- The public joint stock company shall obtain the necessary approvals and permits from the competent authorities and the entities concerned with the nature of the commercial agency business, when required, including the Securities and Commodities Authority and any of the concerned entities.

### **Article 4 - Cases of not Practising Commercial Agency Activities**

The public joint stock company shall forfeit its right to practice commercial agency business in any of the following cases:

- 1- Transforming its legal form into any other form of commercial company.
- 2- Non-nationals' equity in the capital increased to (49%).
- 3- The shareholding by the State nationals decreased to less than (51%) of its capital.

### **Article 5 - Abrogation**

Any provision that is contrary to or inconsistent with the provisions of this Decision shall be abrogated.

### **Article 6 - Publication and Enforcement of the Decision**

The present Decision shall be published in the Official Gazette, and shall come into force from the day following its publication.

Issued by us:

On 02/01/1444 H.

Corresponding to: 20/07/2023

**Mohammed Bin Rashid Al Maktoum**

**Prime Minister**

This Decision was published in the Official Gazette, Issue no. 756.