

Ministerial Decision No. 216/2023
On Regulating the Terms and Conditions for the Entry of Goods or Services
Bound by Commercial Agencies for a Temporary Period During the
Duration of the Dispute Between the Agent and the Principal

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The Minister of Economy,

Pursuant to the perusal of Federal Law No. 1/1972 on competencies of the Ministries and powers of the Ministers, and its amendments;

Federal Law No. 3/2022 on the Regulation of Commercial Agencies; and

Based on the proposal of the Undersecretary,

Has decided:

Article 1 - Definitions

In application of the provisions of this Decision, the following terms and expressions shall have the meanings assigned thereto, unless the context requires otherwise, provided that the expressions contained in this Decision and defined in the Law concerning the Regulation of Commercial Agencies have the meanings assigned to them:

- **Exclusive Source:** Any merchant, according to the definition contained in Federal Decree Law No. 50/2022, promulgating the Commercial Transactions Law, or another person or entity specified by the Ministry.
- **Working Day:** Official working days in ministries, government authorities and local departments.
- **Law:** Federal Law No. 3/2022 concerning the Regulation of Commercial Agencies.

Article 2 - Temporary Entry of Goods or Services

In the event of a dispute between the agent and the principal, and to ensure the flow of services and goods in the duration of the dispute, it shall be permissible, with the approval of the Ministry, to temporarily enter goods and services from Exclusive Sources within the duration of the dispute in accordance with the following terms and conditions:

- 1- An exclusive commercial agency shall be registered in the Ministry's commercial agencies register.
- 2- There shall be an existing dispute, pending before the competent authorities, between the agent and the principal regarding that commercial agency.
- 3- The Ministry shall have sufficient reasons to recognise the inability to provide goods and services during the period of the dispute or their absence in the State's markets due to the dispute between the agent and the principal.
- 4- There shall be a need to enter goods or services in the duration of the dispute.
- 5- The temporary entry of these goods or services shall not exceed the period of adjudication of the dispute and the ruling becoming conclusive and final with res judicata effect.
- 6- The requirements and conditions, including those specified in Articles (3) and (4) of this Decision, shall be fulfilled.

Article 3 - The Principal's Obligations

When filing an application to the Ministry to approve the entry of goods and services from an Exclusive source for a temporary period in the duration of the dispute, the principal shall be obligated to attach the following:

- 1- A written undertaking on behalf of the agent regarding any compensation awarded by the competent authorities with a conclusive and final ruling with res judicata effect.
- 2- Evidence of the preparation of accounting entries and business entries for all goods and services that are entered for a temporary period in the duration of the dispute, including the following:
 - a- Data on clients' names and details, along with contracts and any notes regarding the period of his work as an Exclusive Source.
 - b- Copies of relevant contracts and correspondence.
 - c- The volume of financial transactions and the value of contracts throughout the period of his work as an Exclusive Source.
 - d- A special box in the accounting entries and business entries that includes the commission that may be adjudicated to the agent in the event of a conclusive and final ruling of a compensation in his favour with res judicata effect.
 - e- Any other data requested by the Ministry.
- 3- Evidence of preparing periodic reports on the Exclusive Source's performance, contracts, and services and providing them to the Ministry upon request.

Article 4 - Exclusive Source

For the purposes of obtaining the approval of the Ministry referred to in the preceding articles, the Exclusive Source shall fulfil the following requirements and conditions:

- 1- Providing the Ministry with documents showing the following:

- a- Registration in the commercial register with a valid commercial licence issued by the competent authority.
- b- The articles of incorporation or statute - as the case may be - with the latest amendments made to it, if any, documented and certified by the official authorities with the data and identity of the authorised director and the authorisation or power of attorney.
- c- An undertaking to abide by the provisions of this Decision and an acknowledgement of the validity of the data and documents provided.
- 2- Obtaining prior approval from the relevant authorities in the State whenever the Commercial Agency's activity so requires.
- 3- Adherence to the provisions of the laws in force in the State regarding the conduct of business.
- 4- Adherence to all requirements imposed on the agent as stipulated in the law, during the temporary period for entering goods or services.
- 5- Maintaining regular records and accounts only for the entry work for the temporary period and for his work while serving as an Exclusive Source, including the following:
 - a- Data on clients' names and details, along with contracts and any notes regarding the period of his work as an Exclusive Source.
 - b- Copies of relevant contracts and correspondence.
 - c- The volume of financial transactions and the value of contracts throughout the period of his work as an Exclusive Source.
 - d- A duly audited statement of commissions and fees earned throughout the period of his work as an Exclusive Source.
 - e- Any other data requested by the Ministry.

Article 5 - Temporary Customs Release

The Ministry shall notify the relevant customs departments in the State of the decision to enter goods or services for a temporary period, specifying the quantity and types of those goods, the temporary entry period, data of the Exclusive Source, and the area of activity. The concerned customs departments in the State shall release the goods to the necessary extent as required by the decision.

Article 6 - Amendments

The Ministry shall have competence to make any amendments to the decision for temporary entry of goods or services into the State without an agent, whether by addition, write off or amendment.

Article 7 - Abrogation

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

Article 8 - Publication and Enforcement of this Decision

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

Issued on 11/12/2023
Abdulla bin Touq Al Marri
Minister of Economy

This Decision was published in the Official Gazette, Issue No. 767, p. 141.