

Federal Decree-Law No. 14/2023 on Trading by Modern Technological Means

We, Mohammed bin Zayed Al Nahyan, President of the United Arab Emirates State,

After perusal of the Constitution;

Federal Law No. 1/1972 on the Competencies of Ministries and Powers of Ministers and its amendments;

Federal Decree-Law No. 50/2022 on the Promulgation of the Commercial Transactions Law; and

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

Have issued the following Decree-Law:

Article 1 – Definitions

For the purposes of the present Decree-Law, the following terms and expressions shall have the meanings assigned against each of them, unless the context requires otherwise:

- State: The United Arab Emirates.
- Ministry: The Ministry of Economy.
- Minister: The Minister of Economy.
- Central Bank: Central Bank of the UAE.
- Competent Authority: Federal or local entity concerned with the issuance of the approvals, licenses, and permits by virtue of the applicable legislations.
- Trading by Modern Technological Means: The sale and purchase of relevant goods, services, and data in technical media or through modern technological means such as websites, platforms, or smart applications, and including those that occur through e-commerce, digital commerce, and social commerce. This also includes the purchase of physical goods and services in reality or virtually in technical media or through modern technological means.
- Modern Technological Means: Any technological means used for trading by modern technological means whether it is electronic, digital, biometric, artificial intelligence, blockchain, or in technical media, and whether on websites or smart applications.
- Data: Any data or information being letters, numbers, symbols, signatures, texts, images, or sounds related to the good, service, parties, payment methods, or others that may be stored, processed, generated, or transferred by modern technological means.
- Digital Identity: An identification system or tool of modern technological tools or means that allows user identification and enables them to benefit from or practice commercial activities by modern technological means.
- Digital Merchant: Every natural or legal person who sells goods or services by modern technological means.
- Consumer: Every natural or legal person who obtains a good or service by contracting with a digital merchant through modern technological means, whether it is paid or for free, to satisfy their need or the need(s) of others.
- Goods and Services: Any goods or services purchased by modern technological means.
- Digital Contract: Any agreement between the digital merchant and consumer that documents the offer and acceptance and specifies the contract's location, details, terms,

and conditions through modern technological means. It includes e-contracts, smart contracts, and other contracts used by modern technological means.

- E-signature: A signature consisting of letters, numbers, symbols, sounds, a fingerprint, or a processing system by modern technological means, which enables the verification of the individual's identity. A text message containing letters, symbols, or other technological verification methods shall be sent to the email address and mobile.
- Store: The physical or virtual store.
- Physical Store: Any store that has a physical address in the State.
- Virtual Store: Any website, platform, or other modern technological means that allow the digital merchant to offer or sell a good or service, provide or advertise for a service, or exchange data relevant to it through those websites, platforms, or any other modern technological means.
- Dispute Resolution Committee: The Committee established by virtue of the provisions of Article 9 of the present Decree-Law.

Article 2 – Scope of Application

1. The provisions of the present Decree-Law shall be applicable to:
 - a. Trading through modern technological means, its activities, and modern technological means used in relation thereto.
 - b. Any person who engages in any commercial activity through modern technological means inside the State or those received from outside it, including modern technological means, logistics services, and digital payment gateways to the extent related to trading through modern technological means.
 - c. The free zones in any of the following cases:
 - i. The provision or sale of goods and services purchased through modern technological means outside the geographical scope of the free zone.
 - ii. The absence of legislations that regulate trading through modern technological means in the free zone.
 - d. The financial free zones in the event that Clauses (c)(i)(ii) are met outside the scope of financial businesses and services.
2. The provisions of this Decree-Law shall not be applicable to any of the following:
 - a. Government procurement.
 - b. Data, platforms, and smart applications used for non-commercial purposes through modern technological means.
 - c. Digital currencies, subject to the supervision of the Central Bank, designated for payment and trading purposes.
 - d. All transactions carried out by licensed financial institutions and insurance companies subject to the Central Bank's licensing and supervision concerning the standards, requirements, protection of consumer rights, dispute resolution, supervision, inspection of those facilities, and imposition of administrative penalties thereon.

Article 3 – Objectives of the Decree-Law

The present Decree-Law aims at achieving the following:

1. The achievement of the State's strategic direction pertaining to digital transformation, advancement of trading through modern technological means, and the attraction of investors and skills.

2. The development of the legislative and regulatory environment pertaining to trading through modern technological means.
3. The motivation to trade goods and services through modern technological means without distinguishing between them and those provided through real trading.
4. The organisation of the relationship between the digital merchant and the consumer to achieve the following:
 - a. the protection of consumer interests;
 - b. data protection;
 - c. the protection of intellectual property rights pertaining to the purchase of goods or services through modern technological means;
 - d. the provision of adequate technological protection measures to enable consumers to buy goods and services in a secure manner through modern technological means;
 - e. the provision of secure digital payment methods and channels in accordance with the technical and regulatory standards and requirements approved or determined by the Competent Authority; and
 - f. any other objectives required by the nature of the relationship between the digital merchant and the consumer.

Article 4 – Competencies of the Ministry

For the purposes of applying the provisions of this Decree-Law, the Ministry shall have jurisdiction in the following:

1. Proposing and developing a general policy pertaining to trading through modern technological means in coordination with the Competent Authority and overseeing the implementation thereof after the approval of the Cabinet.
2. Issuing the terms and conditions for the protection of consumers' interests in order to fulfil the objectives of the present Decree-Law.
3. Coordinating with the Competent Authority to block any smart application, website, or platform whenever any action arises contrary to the provisions of the present Decree-Law or prejudices the public order or public morals.
4. Coordinating with the Competent Authority to meet tax compliance requirements and the conditions of the Customs Authority and other relevant authorities.
5. The Ministry may delegate any of its competencies stipulated in this Decree-Law to any of the Competent Authorities.

Article 5 – Standards and Requirements Pertaining to Trading through Modern Technological Means

Trading through modern technological means and those who are subject to it shall abide by the following standards and criteria:

1. Have legal capacity.
2. Fulfil the legal, regulatory, professional, and technical requirements and conditions, whenever applicable, and obtain the necessary approvals, permits, and licenses from the Competent Authority regarding trading through modern technological means and the store.
3. Provide a technically secure environment for the provision of trading services through modern technological means and meet the requirements and standards of e-security, cyber safety, and combating cyberattacks as specified by the Competent Authority in order to ensure safe browsing and purchase of goods or services for consumers.

4. Sell the goods or services that are legally permissible to sell and refrain from selling any goods or services through modern technological means that require special approvals from the Competent Authority before obtaining them.
5. Determine the terms, conditions, and details of the various stages pertaining to the sale of goods and services through modern technological means, including determining the prices of goods and services, and the fees and prices for logistics services and digital payment services, make them publicly available on the digital merchant's website, application, or other modern technological means, and provide the digital contract or the terms and conditions in that regard in the circumstance where there is no digital contract, provided that the purchase of goods and services shall be deemed and considered as consent by the consumer to the digital contract or those terms and conditions.
6. Meet the conditions and requirements approved by the Competent Authorities regarding the advertising and marketing campaigns and the exchange of consumer data in this regard.
7. Refrain from using misleading methods or providing incorrect data that does not show the true description of the good or service.
8. Provide a detailed non-paper invoice of the purchase of goods and services through modern technological means.
9. Meet competition protection terms and conditions specified by the Competent Authority.
10. Develop a business continuity plan in the event of any risks or crises to ensure smooth, uninterrupted work.
11. Provide the Ministry or the Competent Authorities with any information and data as requested.
12. Any other standards and requirements determined by the Cabinet.

Article 6 – Protection of Consumer Rights Pertaining to Trading through Modern Technological Means

The consumer shall have the following rights:

1. To obtain goods and services that are purchased through modern technological means in accordance with the announced specifications and based on the time, value, and costs of the specified logistics services by virtue of the digital contract or the announced terms and conditions.
2. To clearly present the goods or services and their conditions in a due manner.
3. To have secure ways and methods regarding the purchase of goods and services through modern technological means, payment methods, and the payment of the value of those goods and services.
4. To choose whether to receive advertising and marketing campaigns or not via phone calls, emails, or social media platforms.
5. To provide everyone in a transparent with a special box that enables rating the experience with the digital merchant, goods, services, digital payment gateways, and logistics services.
6. To submit complaints about what has been purchased through modern technological means or about any of its parties, whether the digital merchant or any other person.
7. To allocate phone numbers and means of communication for complaints that shall be permanently available without interruption along with qualified staff, allocate a

mechanism to track complaints and communicate with a clear address, and update it periodically in an easily accessible manner whether through the website or through any other method or way.

8. To provide phone numbers and means of communication with the digital merchant.
9. To make publicly available the digital merchant's license from the Competent Authority, their address, contact numbers, details of their physical address, and website.
10. Any of the other rights stipulated in the applicable legislations in the State.

Article 7 – Return of Goods or Services

1. In line with the previous Article of the present Decree-Law, the consumer shall have the right to return or exchange the goods or services that have been purchased through modern technological means in any of the following cases:
 - a. The goods and services violate any of the applicable legislations in the State.
 - b. The goods and services, upon reception, are defective, incomplete, damaged, or contrary to the description of the goods or services stated by the digital merchant, concerning their conditions, or for any other reason that has led to this before the consumer receives the goods and services.
 - c. There is a delay in delivering the goods and services that it is impossible to make use of them.
 - d. The goods and services violate the terms and conditions specified in the digital contract or the terms and conditions announced by the digital merchant.
 - e. Any other case regarding which a decision is issued by the Minister.
2. The consumer's right to return the good and get a refund referred to in the previous Clause of this Article shall be forfeited in any of the following cases:
 - a. Using it unless its use is for the purposes of verification of the absence of a defect.
 - b. Exceeding the period specified or followed in the relevant legislations.
 - c. In the event that the goods are foods or consumer goods which expire in a short period not exceeding three weeks, or they are among the goods and services regarding which a decision is issued by the Minister.
 - d. The books, movies, or programs that may only be used, viewed, or listened to once.

Article 8 - Consumer Obligations

The consumer must adhere to the following:

1. Purchasing goods and services through legitimate modern technological means.
2. Refraining from abusing their right to not accept or return the services or goods purchased from the digital merchant in accordance with the provisions of this Decree-Law.
3. Diligently reviewing the specifications of the goods and services and the announced terms and conditions of the digital contract.
4. Payment for the purchase of goods and services.

Article 9 – Dispute Resolution

The courts of the State or Emirate, as the case may be, shall have jurisdiction to resolve disputes arising from the application of the provisions of this Decree-Law in accordance with the applicable legislations in this regard, taking into account the following:

1. Dispute Resolution Committee
 - a. The Ministry or the Competent Authority in the Emirate, as the case may be, may form a committee to settle the disputes arising from the application of the provisions of this Decree-Law and determine the dispute resolution mechanism.

The decision pertaining to the formation of the Committee shall determine its competencies and work system.

- b. The Ministry may, when necessary, and in order to achieve the objectives of this Decree-Law and protect the interest of the consumer, establish a Dispute Resolution Committee to settle the disputes between the parties subject to the provisions of this Decree-Law and determine its competencies, and for this purpose, it may coordinate with the Competent Authority.
2. Arbitration
 - a. In accordance with Clause (1) of this Article, the provisions of this Decree-Law shall not prejudice any agreement pertaining to the referral of any dispute arising between those subject to its provisions to arbitration in order to settle any dispute that arises between them.
 - b. In accordance with the previous Clause of this Article and without prejudice to the right of those subject to the provisions of this Decree-Law to resort to arbitration pursuant to an arbitration agreement, a digital contract whose value is less than AED 50,000 may not include a condition to refer disputes arising from it to arbitration.
 3. Whenever any of the parties resorts to arbitration after the issuance of the Committee's decision, the latter shall be null and void.

Article 10 – Data and Information

1. The data protection legislations in force in the State shall be applicable to consumer information and data, its classification, and its ownership.
2. The following standards and requirements regarding data and information, whether issued or approved by the Competent Authority, shall be met:
 - a. Professional, regulatory, and technical standards and requirements, including data quality, classification, flow, storage, and non-disclosure to any other person unless there is a legal justification or by virtue of the consumer's prior consent in a manner that does not prejudice the applicable legislations in the State.
 - b. Professional, regulatory, and technical standards and requirements conducive to data credibility and availability and information and data security and protection and other relevant standards and requirements.
 - c. Standards and requirements pertaining to the abidance of the digital merchant and all those who are subject to the provisions of this Decree-Law with data and information protection.
 - d. Standards and requirements pertaining to the protection and security of consumer information and data and refraining from sharing them or making them available except with the consumer's consent.
 - e. Standards and requirements pertaining to trading through modern technological means specified in Article (5) of this Decree-Law.

Article 11 – Insurance

1. The digital merchant or entities that undertake logistics services and digital payment services may grant insurance coverage for the obligations arising from trading through modern technological means, including logistics services, digital payment methods, electronic fraud and cyberattack risks, and other risks.
2. Aiming at fulfilling the purpose of the insurance coverage, the Ministry may submit a recommendation of the terms and conditions regulating the details of the insurance

coverage after coordinating with the Competent Authority to be approved by the Cabinet.

3. The Ministry may set a condition to provide insurance coverage for any service or activity related to trading through modern technological means, any of its parties, or the modern technological means through which it is provided.

Article 12 – Liability

Any person subject to the provisions of the present Decree-Law shall be liable for whatever obligations which arise.

Article 13 – Binding Force

1. All activities and businesses pertaining to trading through modern technological means shall have the same binding force as traditional trading.
2. Regarding the veracity of the contract, the following terms and conditions specified in the applicable legislations in the State shall be met:
 - a. The verification of the capacity as contractors upon meeting the requirements and conditions of the newly created digital identity through modern technological means that enable the verification of the identities of contractors.
 - b. The verification of the offer, acceptance, and consequent contracting upon the fulfilment of the requirements for the digital identity and digital signature.

Article 14 – Logistics Services

1. For the purposes of achieving their obligations pertaining to trading through modern technological means, the digital merchant may provide logistics services such as storage, shipping, transport, and delivery to the consumer directly through them or through any other person licensed in the State.
2. Regarding the provision of logistics services to carry out any stage of the trading through modern technological means, the conditions, requirements, and terms specified by the Competent Authority shall be achieved.
3. No additional fees for logistics services may be imposed on the consumer in contravention with those specified and announced by the digital merchant in the digital contract or the terms and conditions.

Article 15 – Digital Payment Gateways

The following conditions, standards, and requirements concerning digital payment channels and methods shall be followed:

1. Fulfilling the obligations and requirements specified in Article (5).
2. Providing services to consumers in an easy manner consistent with the nature and flow of trading through modern technological means.
3. Refraining from imposing additional fees on consumers regarding digital payments contrary to those specified and announced by the digital merchant in the digital contract or the terms and conditions.
4. Any other requirements regarding which a decision is issued by the Cabinet upon the recommendation of the Ministry and in coordination with the Competent Authority.

Article 16 - Supervision and Control

The Ministry and the Competent Authority, each according to its competencies, shall supervise and control the implementation of the provisions of this Decree-Law and take legal measures regarding the violation of its provisions.

Article 17 – Law Enforcement

1. The employees of the Ministry or the Competent Authority, who are designated by a decision of the Minister of Justice or the Head of the Local Judicial Authority in coordination with the Minister or the Head of the Competent Authority, as the case may be, shall have the capacity of judicial control officers in order to control any violations of the provisions of this Decree-Law that occur within the jurisdiction of each of them, and for this purpose, they shall have the right to:
 - a. Peruse documents and papers to prove what has occurred in contravention with the provisions of this Decree-Law and the decisions issued pursuant hereto..
 - b. Conduct inspections, detect violations, and refer them to the authorities concerned with investigation and prosecution.
 - c. Seek the assistance of the competent security agencies, if necessary.
2. The digital merchant and consumer must cooperate with the Law Enforcement and provide them with any data, information, and document necessary to perform their work and facilitate their tasks, whenever requested.

Article 18 – Coordination regarding Supervision, Oversight, and the Role of the Law Enforcement

In accordance with the objectives of this Decree-Law and the competencies of supervision, oversight and the roles of the Law Enforcement, the Ministry, in coordination with the Competent Authorities, shall establish an Ecosystem to supervision and control activities and the roles of the Law Enforcement in a way that achieves the objectives of this Decree-Law and enables all the Competent Authorities to exercise their powers referred to and coordinate with each other in accordance with the terms, conditions, and controls regulating same by a Cabinet decision.

Article 19 – Administrative Penalties

1. The Ministry, in coordination with the Competent Authority, shall prepare a list of violations and administrative penalties regarding acts committed contrary to the provisions of the present Decree-Law, and it shall be issued by a Cabinet decision.
2. The Ministry and the Competent Authority, each according to its competencies, shall impose the appropriate penalties.
3. The violations and administrative penalties referred to in Clause (1) of this Article shall not prejudice the penalties or sanctions stipulated in other legislations.

Article 20 – Regulatory and Executive Decisions

1. Pursuant to the Minister's proposal and in coordination with the Competent Authorities, the Cabinet shall issue the necessary regulatory decisions to implement the provisions of this Decree-Law.
2. Without prejudice to the competencies of the Cabinet stipulated in this Decree-Law, the Minister shall issue the necessary decisions to implement the provisions hereof.

Article 21 – Publication and Enforcement

The present Decree-Law shall be published in the Official Gazette and shall come into force as of the next day of its publication.

Issued by Us at the Presidential Palace in Abu Dhabi:

On: September 4, 2023
Corresponding to: 18 Safar 1445 H
Khalifa bin Zayed Al Nahyan
President of the United Arab Emirates