

Federal Law No. (11) of 2023
On Procurement in the Federal Government

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

Pursuant to the perusal of the Constitution;

Federal Law No. (1) of 1972 on the Ministries Competencies and the Ministers' Powers, as amended;

Federal Law No. (5) of 1985 on Issuing the Civil Transactions Law, as amended;

Federal Law No. (8) of 2011 on the Restructuring of State Audit Institution;

Federal Law No. (2) of 2014 on Small and Medium Enterprises (SMEs);

Federal Decree Law No. (9) of 2016 on Bankruptcy, as amended;

Federal Decree Law No. (13) of 2016 on Establishing the Federal Tax Authority, as amended;

Federal Decree Law No. (7) of 2017 on Excise Tax, ;as amended

Federal Decree Law No. (8) of 2017 on Value Added Tax, as amended;

Federal Decree Law No. (11) of 2017 on Delegating the Cabinet with Certain Powers;

Federal Decree Law No. (9) of 2018 on Public Debt; as amended;

Federal Decree Law No. (15) of 2018 on Collecting Revenues and Public Funds;

Federal Decree Law No. (16) of 2018 on Federal Government Real Estate Property;

Federal Decree Law No. (26) of 2019 on Public Finance, as amended;

Federal Decree-Law No. (31) of 2021 on Issuing the Crimes and Penalties Law;

Federal Decree Law No. (32) of 2021 on Commercial Companies;

Federal Decree Law No. (28) of 2022 on Tax Procedures;

Federal Decree Law No. (47) of 2022 on Taxation of Corporations and Businesses

Based on the proposal of the Minister of Finance, the approval of the Cabinet and the Federal National Council, and the ratification of the Federal Supreme Council,

We issued the following Law:

Chapter I
Definitions and Objectives of the Law

Article (1)
Definitions

In application of the provisions hereof, the following words and expressions shall have the meanings ascribed thereto unless the context requires otherwise:

UAE	:	The United Arab Emirates.
Government	:	The Federal Government of the UAE.
Ministry	:	The Ministry of Finance.
Minister	:	The Minister of Finance.
Delegation Matrix	:	Document prepared by the Ministry specifying the employees authorised to approve the financial and non-financial resolutions related to the government procurements and the associated financial limits pursuant to the procurement methods as stipulated in this Law and its Executive Regulations. The Delegation Matrix shall be issued Minister.
Federal Entities	:	Ministries formed pursuant to Federal Law No. (1) of 1972 on the Ministries Competencies and the Ministers' Powers, as well as the Government bodies and authorities classified under Article (3) of this Law.
Procurements	:	Any product, service or activity required by the Federal Entities.
Procurement Process	:	Set of procedures carried out by a Federal Entity to secure its Procurements pursuant to the provisions of this Law and its Executive Regulations.
Procurement Annual Plan	:	Plan prepared by the Federal Entity to determine its Procurements' requirements and needs for the achievement of Public Interest for the following fiscal year.
Emergency Procurement	:	The process of obtaining the necessary Procurements in emergency cases, and is applied when following the regular

		Procurement procedures and methods leads to unacceptable delay for the concerned Federal Entity in securing such Procurements.
Procurement System	:	The electronic system or any system used by the Federal Entity to regulate the Procurement Process and allow the Suppliers and Federal Entities to safely communicate, interact and enter into contracts, as well as enable the Federal Entities to announce Procurements and receive bids to ensure compliance with the provisions of this Law and its Executive Regulations.
Public Interest	:	Any direct or indirect benefits to the Federal Entity, Government and community as a result of the Procurement Process, that help achieve the strategic visions and priorities of the Government.
Public Value	:	Best value for money that can be achieved by the Federal Entity by using resources in an effective and economical way.
Supplier	:	Any person, whether natural or legal, that provides Procurements pursuant to the provisions of this Law and its Executive Regulations.
Participating Supplier	:	Any person, whether natural or legal that submits an offer to a tender or new tender opportunity related to a Procurement in favour of a Federal Entity.
Confidential Information	:	Confidential information that is specified by this Law and the relevant implementing Manuals.
Sensitive Commercial Information	:	Information that is specified by this Law and the relevant implementing Guidebooks, which may affect the Supplier's commercial interests, including profit margins and new innovations, if disclosed.
Tender Announcement	:	Statement published through the Procurement System to announce a new Procurement opportunity as per the provisions of this Law and the relevant implementing Manuals.
Public Tender	:	An invitation or Procurement application announced by the Federal Entity to the public through the Procurement System to provide equal opportunities to all interested Suppliers to submit their bids for the supply of the required Procurements.
Executive Regulations	:	Regulations and policies issued by the Cabinet or its delegate for implementing this Law.
Manuals	:	Procurement manuals and procedures issued by the Minister for implementing the provisions of this Law and its Executive Regulations.

Article (2)
Objectives of the Law

- (1) This Law regulates the general framework of Procurements in the Government.
- (2) This law aims to achieve the following:
 - (a) Specifying the principles, controls and criteria of the Procurement Processes in the Government;
 - (b) Enhancing and directing the Procurement Processes in the Federal Entities to be in line with the digital agenda of the Government;
 - (c) Activating the digital Procurement System and implementing the best world-class policies and practices throughout all stages of the Procurement Process;
 - (d) Ensuring equality, fair treatment and non-discrimination principles among all Participating Suppliers;
 - (e) Involving all relevant stakeholders and participants in the Procurement Process at the Federal Entities, and ensuring their efficient and effective implementation of such processes to guarantee the quality and achieve spending efficiency;
 - (f) Promoting integrity, trust, transparency and competition throughout the Procurement Process, providing a Public Value and Public Interest that consider the quality standards, criteria and sustainable development, small and medium enterprises support and the national economy; and
 - (g) Providing flexibility, improving the performance of the Procurement Processes and contracting, and enhancing the efficiency of planning and Procurement management at the federal level.

Chapter II
Scope of Application and Exceptions

Article (3)
Scope of Application

The provisions of this Law shall apply to all Procurement and contracting activities and procedures of the following Federal Entities:

- (1) Ministries and Central Authorities: Ministries formed pursuant to Federal Law No. (1) of 1972, as amended, on the Ministries' Competencies and the Powers of Ministers, Councils and Authorities, or the like, that carry out the Federal executive, legislative and judicial activities.

- (2) Independent Federal Entities: Federal Entities formed, and will be formed, pursuant to the legislations applicable in the UAE with the aim of carrying out specific Government tasks or services and operating under the supervision of the Government, which:
- (a) have an independent legal personality and the capacity to dispose, prepare, regulate and execute their own budget;
 - (b) have an administrative and organisational structure; and
 - (c) are not-for-profit.

Article (4)

Exceptions from the Scope of Application

- (1) The provisions of this Law shall not apply to the following:
- (a) Ministry of Defence and Armed Forces;
 - (b) UAE Security Authorities;
 - (c) Federal Entities engaged by international agreements or obligations related to Procurements carried out by such entities;
 - (d) Construction projects and contracts;
 - (e) Procurements of a military or security nature made by the Ministry of Interior or any Federal Entity of a security or military nature, approved by the Minister or head of the relevant Federal Entity;
 - (f) Procurements of the UAE's representative missions abroad;
 - (g) Procurements executed outside the UAE for the purpose of usage abroad;
 - (h) Procurements related to establishing, furnishing and equipping Government offices abroad;
 - (i) Procurements related to medicines and medical supplies;
 - (j) Public-private partnerships (PPP) contracts between Federal Entities and the private sector classified as a "partnership project" and are subject to the provisions on partnership projects pursuant to the relevant regulating legislations;
 - (k) Rent and Procurement of lands and buildings, and sale, destruction and disposal of assets and inventory, that are subject to the relevant regulating provisions and policies;
 - (l) Investments carried out by authorised Federal Entities pursuant to the relevant regulating provisions and legislations, which aim to achieve a commercial return or financial profit for the Federal Entity, other than to secure the needs and business of the Federal Entity, including the Procurement and sale of stocks, bonds, currencies, etc;
 - (m) Financing and guaranteeing granted by authorised Federal Entities pursuant to the relevant regulating provisions and legislations; and

- (n) Federal Entities and Procurement that are excluded by Cabinet decision made pursuant the Ministry's opinion.
- (2) The exemptions contained in this Article shall not exempt the relevant Federal Entities from following the provisions of this Law, considering its objectives and seeking to achieve the best Public Value for their Procurements.

Chapter III
Governance and Competencies

Article (5)
Procurement Process Governance

This Law and its Executive Regulations set the provisions related to the governance of the Procurement Process, including the roles and responsibilities of Federal Entities and the relevant regulatory committees and units.

Article (6)
Delegation Matrix

- (1) The resolutions related to the Procurement Process shall be passed in accordance with the Delegation Matrix.
- (2) Each Federal Entity shall specify, by decision of its head or his equivalent, the employees authorised with the powers set out in the Delegation Matrix issued by the Ministry.
- (3) The Federal Entities may review the Delegation Matrix and submit a request for the amendment of the Delegation Matrix in accordance with their needs while complying with the general framework of the Delegation Matrix issued by the Ministry.
- (4) The Independent Federal Entities may adopt their own Delegation Matrix while being guided by the Delegation Matrix issued by the Ministry.

Article (7)
Federal Entity Responsibilities

The Federal Entities shall be responsible for the following:

- (1) Pre-planning and identifying their Procurements needs, including preparing Procurement Annual Plan and seeking to achieve the targeted Public Interest.
- (2) Developing and implementing mechanisms and plans that support the Procurements quality at the highest levels and ensure the best Public Value.
- (3) Selecting the appropriate Procurement method in the light of the needs, risks, complexities and supply strategy related to the targeted Procurements.
- (4) Working towards reducing the costs incurred when implementing the Procurement Annual Plan, taking into account achieving the best Public Value.
- (5) Managing the overall Procurement Process, starting from defining requirements to awarding procedures and signing contracts, and involving the required regulatory units.
- (6) Ensuring the compliance of Procurement Processes with the principles of transparency throughout all stages, including full transparency in disclosing bid evaluation criteria.
- (7) Working on attracting the best Suppliers, ensuring that all Participating Suppliers are treated fairly and equally, and encouraging competition.
- (8) Creating opportunities to attract and encourage small and medium enterprises, national products and local Suppliers, and support the Emiratisation policy, green companies or sustainable commercial activities, or products that reduce the carbon footprint and environmental damage.
- (9) Acting as a supervising body over all contracts, purchase requests and orders, modification requests and other related Procurement documents.
- (10) Managing post-contracting activities such as disputes and modifications, monitoring Suppliers' performance, assessing risks, and assigning the appropriate persons for their management.
- (11) Any other responsibilities set out in the Executive Regulations.

Chapter IV

Procurement System and Purchasing Principles

Article (8)

Procurement System

- (1) Procurements shall be offered through the Procurement System unless otherwise required by the Law or its Executive Regulations. Independent Federal Entities may offer their Procurements through the electronic Procurement System or any Procurement method they use.
- (2) The Executive Regulations shall specify the procedures for using the Procurement System, including correspondences and communications via the electronic system and concluding contracts and other related matters with legal effect.

- (3) The privacy, confidentiality, security, information transparency and ease of use shall be available, at the highest levels, in the Procurement System. The Procurement System shall ensure the safety of procedures.
- (4) The Procurement System must allow the Suppliers to access information and data related to tenders specified by the Law and its Executive Regulations.

Article (9)

Competition and Transparency

- (1) All Procurement Process procedures shall be subject to the principles of transparency, freedom of competition and equal opportunities, at all stages, and must be applied as per the rules and procedures set out in this Law and its Executive Regulations.
- (2) In order to realise the principles of transparency and equal opportunities, the relevant Federal Entity must notify the Participating Suppliers of all major information and decisions related to the tender or affecting the fair competition among them.

Article (10)

Integrity

Each Federal Entity must adopt mechanisms that uphold the integrity of its Procurement activities and procedures, which must include at a minimum the following:

- (1) All Procurement procedures must be proper and considerate of Public Interest.
- (2) All employees involved in the Procurement Process must be integrous, impartial and committed to the provisions of the law.
- (3) Employees of a Federal Entity shall be prohibited from participating in the Procurement Processes of the Federal Entity they work for, directly or indirectly, as well as from participating through companies or establishments of which they are owners, partners or agents.
- (4) All employees involved in the Procurement Process shall be made aware on detecting and reporting the occurrence or the probability of occurrence of cases related to conflicts of interests, as well as dealing with such cases pursuant to the regulatory regulations in this regard.

Article (11)

Impartiality

The procedures of the Procurement Processes shall take into account the fair and equitable treatment of the Participating Suppliers, unless the Federal Entity decides to limit the participation to certain categories as specified by the Law and its Executive Regulations.

Article (12)

Suppliers Information Protection

- (1) The Federal Entities shall protect the Suppliers' Confidential Information and Sensitive Commercial Information, including information that may affect fair competition among Participating Suppliers.
- (2) The Federal Entity may not disclose Confidential Information or Sensitive Commercial Information except in the following cases:
 - (a) the written consent of the relevant Participating Supplier.
 - (b) the disclosure is required by the provisions of the Law, an international agreement, or an order issued by a judicial or regulatory authority.
 - (c) the limited disclosure, explicitly declared in the Tender Announcement documents, approved by the Participating Suppliers through their participation in the Tender.
 - (d) any other cases or provisions set out in the Executive Regulations.

Article (13)

Public Interest

- (1) The Federal Entities shall take into account, when offering any of their Procurements, the possible extent of achieving a Public Interest.
- (2) Public Interests include the benefits that help achieve the Government's strategic visions and priorities, such as creating business opportunities for companies and local commercial activities, supporting small and medium enterprises, national products, local Suppliers, green companies, or sustainable business activities, or products that reduce carbon footprint and environmental damage. The Executive Regulations shall stipulate the special provisions and preferential benefits related to Public Interest in the Procurement Process.

Article (14)

Procurement Public Value

- (1) The Procurement decisions must be based on achieving the highest Public Value and ensuring the best possible output for the cost of providing Procurements for the entire period of Procurements cycle and contract period in accordance with this Law and its Executive Regulations.
- (2) The Public Value shall take into account the following:
 - (a) Costs to correspond to the overall benefits of the Procurements.
 - (b) The contribution of such costs and benefits in achieving the value that the Federal Entity aims to realise, in terms of purpose, quality and otherwise.
 - (c) The extent to which the Procurements achieve the Public Interest of the UAE, whether it is social, environmental, economic, cultural or otherwise.

Article (15)

Procurement Planning

- (1) Each Federal Entity shall prepare a Procurement Annual Plan in conjunction with the process of preparing its annual budget. The plan shall include drawing up a strategy to secure the needs of the Federal Entity pursuant to studying and analyzing market conditions and the proposed method for supplying such Procurements and the associated risks. The plan shall include an estimated costs budget, expected timetables, evaluation criteria and scales, and the Public Interest that is aimed to be achieved by the Federal Entities through the Procurements. The Federal Entity may amend its Procurement plan during the financial year depending on its priorities.
- (2) The Federal Entity shall, prior to offering its Procurements, assess the Public Interest that can be achieved and the contribution of the Procurements, if any, in achieving any of the Government's priority strategic outputs.
- (3) The Federal Entity may publish information on its Procurement plan for the coming months or years, including the key information on its business and Procurements during such period. The Federal Entity may also publish an announcement in advance on any potential Procurements.
- (4) The publication of any information on the Procurement plan of any Federal Entity shall not bind such Federal Entity to offer such Procurement.

Chapter V

Terms and Methods of Procurement

Article (16)
Procurement Methods

- (1) The Federal Entities shall offer their Procurements in a Public Tender to be announced through the Procurement System. Other methods may be used in accordance with the provisions of this Law and its Executive Regulations, provided they do not result in restricting competition.
- (2) Subject to the provisions of the preceding paragraph of this Article, the Federal Entities shall select the best Procurement method that provides the best Public Value for their Procurements.
- (3) The Executive Regulations shall set out all the provisions, methods and procedures related to the Procurements.
- (4) The Federal Entity, upon its desire to solicit offers, may pre-qualify the Participating Suppliers to verify the availability of the necessary qualifications and capabilities of the participants, including their technical, financial and administrative capabilities, the size of their obligations, and their ability to perform.

Article (17)
Tender and Procurement Announcement

- (1) The Federal Entity must offer the Procurement tenders publicly, unless the conditions for other Tender methods are not met in accordance with the provisions of the Executive Regulations.
- (2) The following steps must be followed, at a minimum, in the Announcement:
 - (a) Announcing the Procurement or Tender opportunity through the electronic Procurement System, digital system or any other system used by the Federal Entity.
 - (b) Giving the Participating Suppliers access possibility to all Tender documents.

Article (18)
Content of Tender Announcement

The Tender Announcement shall contain all the information the Participating Suppliers need to prepare and submit their offers, provided that it includes the following:

- (1) Name of the relevant Federal Entity.
- (2) Clarification of the used Procurement method.
- (3) Description of the required Procurements and their technical specifications, plans and drawings, if any, instructions and outputs.
- (4) Determination of the required or estimated quantities of Procurements.

- (5) Terms and conditions related to the contracting and contracting period.
- (6) Levels of the service and implementation required from the Supplier to achieve.
- (7) Evaluation mechanism and criteria and the scale of each criterion.
- (8) Deadline and procedure for submitting the responses through the Procurement System.
- (9) Any other information as the Federal Entity may deem necessary to be included in the Announcement.

Article (19)

Tender Period and Response to Announcement

- (1) The Participating Suppliers shall be given sufficient time to respond to the Tender Announcement, and the Federal Entity shall determine the time in a realistic manner taking into account all the relevant elements, including the nature and complexity of the Procurements and the volume of the information and details required to prepare the bids.
- (2) In all cases, the Tender period shall not be less than the periods specified in the Executive Regulations. The Federal Entity may extend the period if it deems necessary.
- (3) If the Federal Entity issues clarifications or amendments to the Tender Announcement, it shall, if necessary, extend the deadline for submitting the responses in a way that allows the Participating Suppliers to take such amendments and clarifications into consideration.

Article (20)

Inquiries and Requests of Participating Suppliers and Responses

- (1) The Participating Suppliers may raise inquiries and questions and request reasonable and necessary data for the evaluation of the bids, within the period specified in the Tender Announcement.
- (2) The Federal Entity must urgently respond to all reasonable inquiries and requests. If the Federal Entity fails to respond within sufficient time enabling the Participating Suppliers to submit their responses, it may decide to amend the final deadline for submitting the responses.
- (3) All competing Participating Suppliers must be informed of the inquiries received by the Federal Entity with regard to the Tender and its answers and responses to the same. Notwithstanding, the competitors must not be notified of the source of the inquiry or request or the confidential information of one of the Participating Suppliers and the Sensitive Commercial Information.
- (4) A meeting may be held with the Suppliers prior to submitting the final responses at the request of any Supplier to provide general information about the project and to clarify inquiries (if any). Notes for such meetings must be taken and made available to all Participating Suppliers.

Article (21)

Cancellation or Amendment of Tender Announcement

- (1) The Federal Entity may cancel or amend the Tender procedures or Tender Announcement at any time prior to the deadline for submitting the responses, in accordance with the conditions and procedures set out in the Executive Regulations. It shall not be permissible to open any submitted bid after the cancellation decision.
- (2) The Federal Entity must publish on the Procurement System and notify all Participating Suppliers at the same time of any cancellation or amendment to the offering requirements or Tender Announcement.
- (3) The Federal Entity must give sufficient time to the Participating Suppliers that submitted their bids, to respond to the amendments, and if deemed necessary by the Federal Entity, to extend the final bidding deadline to enable them to amend their responses.

Article (22)

Evaluation Criteria of Bids

- (1) The bids shall be evaluated transparently and fairly using evaluation criteria relevant to the subject matter of the Procurements, which may include the following:
 - (a) The financial cost.
 - (b) The cost of the operation and maintenance of the Procurements.
 - (c) The period of the delivery and completion of the Procurements.
 - (d) The conformity of the Procurements with the required (technical, environmental, operational, or otherwise) characteristics and specifications.
 - (e) The terms of payment and guarantees.
 - (f) The Supplier's experience, reputation, competence and professionalism in providing the required Procurements.
 - (g) Any other evaluation criteria specified in the Executive Regulations.
- (2) A preferential margin may be granted in favour of those Participating Suppliers that provide the best Public Interest or in-country value, in favour of the locally produced Procurements or to encourage small and medium local enterprises as specified in the Executive Regulations.
- (3) The non-financial evaluation criteria must be objective and commensurate with the nature of the Procurements to be offered, and be quantifiable as much as possible.
- (4) The Tender Announcement shall provide a clear breakdown of the used evaluation criteria, the evaluation mechanism, and the weight assigned to each evaluation criterion.
- (5) The bids shall be evaluated based on the evaluation criteria, mechanism and weights previously announced in the Tender Announcement. It shall not be permissible to use any criteria or procedures that were not announced in accordance with the provisions of this Article.

Chapter VI
Awarding Provisions and Controls

Article (23)
Negotiation

- (1) The Federal Entity may negotiate with the Participating Suppliers in order to reach a technical or financial agreement whenever one of the cases specified in the Executive Regulations occurs.
- (2) The negotiation with the Participating Suppliers shall constitute a mandatory step in the supply process if the total value of the contract is higher than the value set out in the Executive Regulations.

Article (24)
Suppliers Exclusion and Awarding Decision Cancellation

- (1) The Federal Entity may exclude Participating Suppliers from a tender, for the following reasons:
 - (a) When the bid submitted by the Participating Supplier does not meet the minimum basic requirements specified in the Tender Announcement.
 - (b) Failure of the Participating Supplier to perform previous Procurements offered by a Federal Entity, or the occurrence of any of the cases of Supplier suspension stated in the Executive Regulations.
 - (c) Failure of the Participating Supplier to fulfil its financial obligations to the Government in terms of taxes, fees, and otherwise.
 - (d) Non-compliance of the Participating Supplier with the timetables proposed in the Request for Proposals.
 - (e) Any other reason set out in the Executive Regulations.
- (2) The Federal Entity may cancel an awarding decision if the Successful Supplier commits a material mistake that affects the transparency, integrity or competition, such as the occurrence of any of the following:
 - (a) The Supplier engages in unethical practices or provides incorrect data.
 - (b) It is established that the bid violates any legislation applicable in the UAE.
 - (c) The awarding has a negative impact on national security or the confidentiality of sensitive government information.
 - (d) Provision of bribes, illegal commissions, bid manipulation, fraud or abuse of power with the aim of unlawfully influencing the Procurement Process, without prejudice to the provisions of any other relevant law or legislation.
- (3) The Federal Entity shall notify the excluded Participating Supplier of the exclusion decision and its reasons.
- (4) The Executive Regulations shall specify the relevant authority responsible for issuing the exclusion decision at the Federal Entity.

Article (25)

Exclusion of a Bid Due to Low Price

- (1) No bid may be excluded due to its low price unless the Federal Entity is convinced that the bid price is very low compared to the estimated cost and prices prevailing in the market, and that it may affect the ability of the Participating Supplier to fulfil its contractual obligations towards the Federal Entity, provided that the relevant Federal Entity, after reviewing the estimated prices, discusses the low bid with the Participating Supplier, and requests it to provide details of the elements of its bid and explain the reasons for the low price. In the event that the Federal Entity is not convinced of the Participating Supplier ability to fulfil its contractual obligations towards it, it may exclude the bid.
- (2) The Federal Entity shall notify the excluded Supplier of the exclusion decision and its reasons.

Article (26)

The Award

The bid shall be awarded in accordance with the procedures set out in the Executive Regulations and based on the evaluation criteria announced in the Tender Announcement. The bid shall be awarded to the Participating Supplier who fulfils the following:

- (1) It shows a clear understanding of the requirements and conditions of the contract and proof of the ability and capabilities necessary to implement the contract in accordance with the required provisions.
- (2) It provides the best Public Interest and Public Value for the entire term of the contract.

Article (27)

Notifying Suppliers of the Award Decision

- (1) After evaluating the bids and making the award decision, all Participating Suppliers shall be notified of the decision to award the successful Supplier.
- (2) If the successful Participating Supplier fails to submit the required documents or sign the contract, without an acceptable excuse, within the period specified in the Executive Regulations, the award may be cancelled after notifying the Participating Supplier. In such cases, the Federal Entity may award the bid to the second best Participating Supplier or decide to re-offer the tender.

Article (28)

Publication of the Award Decision

The details of the award decision may be published on the Procurement System within thirty (30) days of the completion of the awarding and signing of the contract, and the publication must include all main information of the bid, as set out in the Executive Regulations.

Article (29)

Justification of the Award Decision

Without prejudice to the right of the Participating Suppliers to complain before the relevant Federal Entity during the dates specified in Article (38) of this Law, each Participating Supplier that failed in the awarding process may request from the Federal Entity to clarify the reasons of its failure, including the weaknesses and strengths of its bid. If a Participating Supplier requests a clarification, it must receive a response within the period set out in the Executive Regulations.

Chapter VII

Terms and Conditions of the Contract

Article (30)

Procurement Contract

The Procurement contract shall regulate the provisions of the contract and the obligations and rights of the parties, and it shall be prepared in accordance with this Law and its Executive Regulations. In the event of a dispute or disagreement between the Federal Entity and the Supplier, the Procurement contract shall be referred to as being legal document regulating the contractual relationship.

Article (31)

Preparation of Procurement Contracts

- (1) The Executive Regulations shall specify the types and forms of standard contracts.
- (2) The Federal Entities may draft their own Procurement contracts if necessary based on the nature and complexity of the Procurements.

Article (32)
Signing the Contract

The procurement contract shall be signed between the Federal Entity and the Successful Supplier after being notified of the award decision and submitting a bank guarantee if required, in accordance with the procedures specified in the Executive Regulations.

Article (33)
Contract Amendment

- (1) When there is a need to amend the contract or make any amendments to the Tender (such as amending the scope of the project, timetable, cost, or terms and conditions of the contract), the provisions, procedures and maximum limits specified in the Executive Regulations must be respected, and the required approvals must be obtained in accordance with the Delegation Matrix.
- (2) Any contract amendment request must be based on acceptable reasons and justifications, and the necessary financial provisions for any contract must be verified, regardless of the value of the amendment.

Article (34)
Assignment of Contract and Subcontracting

- (1) The contracted Supplier may not assign the contract or any part thereof to another Supplier or sub-contract it without obtaining the prior written approval of the Federal Entity. The Executive Regulations shall set out the conditions and controls in this regard.
- (2) The Federal Entity may make payments directly to the sub-Supplier. The Executive Regulations shall set out the conditions and controls in this regard.
- (3) In all cases, the contracted Supplier shall be jointly responsible with the sub-Supplier for the implementation of the contract.

Article (35)
Payment to Suppliers

- (1) The Federal Entities shall be liable for making payments to the Suppliers in accordance with the provisions and deadlines stipulated in the contract.

- (2) In the event of sub-contracting, the contracted Supplier shall pay the sub-Suppliers as soon as their payments are due as agreed upon, provided that the terms of payment to the sub-Suppliers are consistent with the terms of payment agreed upon between the main Supplier and the relevant Federal Entity.

Article (36)
Intellectual Property

If the Procurements include the creation of new intellectual property rights that the Federal Entities are expected to benefit from, the Tender Announcement shall expressly specify the purpose of such rights and whether the Federal Entity intends to own them, obtain a license to use them, or benefit by them for its activities in the future.

Article (37)
Applicable Law and Dispute Resolution

- (1) The Procurements contract shall be subject to the laws in force in the UAE. It shall be permissible, based on the approval of the Minister or the head of relevant Federal Entity, as the case may be, to agree on the application of a foreign law to contracts that are executed abroad.
- (2) The parties shall fulfil their obligations in the contract in accordance with its terms and conditions and without prejudice to this Law and its Executive Regulations, and if any party fails to fulfil its obligations, the other party may resort to the UAE competent courts.
- (3) The Executive Regulations shall specify the other methods of settling disputes arising from the implementation of the Procurement contract, as per the provisions of this Law and the procedures and conditions of the recourse thereto.

Chapter VIII
Consideration of Complaints

Article (38)
Grievance Before the Federal Entity

- (1) Each Participating Supplier has the right to file a grievance before the Federal Entity against any decision it takes prior to the award decision, within five (5) working days from the date of being notified of the decision. The Supplier may also file a grievance before the Federal Entity against the award decision, within five (5) days from the date of issuance of the award decision.

- (2) The Federal Entity shall decide on the grievance impartially within the period specified in the Executive Regulations. If such period lapses without responding to the grievance, the grievance shall be deemed to be rejected.
- (3) The Executive Regulations shall specify the grievance mechanism, controls, responding thereto, the related deadlines, procedures and the competent authority liable for settling such grievance.

Chapter IX General Provisions

Article (39)

Language of Procurement Contracts and Tender Documents

- (1) Contracts, Tender Documents, appendices, and correspondence related thereto shall be drafted in the Arabic language, and English language may be alternatively used if the Federal Entity deems it necessary.
- (2) Whenever two languages are used, the Procurement contract must include a clarification on the language used for the interpretation and implementation and determining its specifications, schedules and correspondence .

Article (40)

Contracts Between Federal Entities

Federal Entities and companies wholly owned by the Government, whether at the local or federal level, may contract with each other through direct agreement without substantive or procedural subjection to this Law, provided that they carry out the works or secure Procurements themselves. They may also act on behalf of each other in initiating the contracting procedures.

Article (41)

Exemption from the Provisions of the Law

An exemption may be made from any of the provisions of the Law with the approval of the Cabinet if the need arises, based on a request of the relevant Federal Entity, provided that the object and justifications of the exception are specified.

Article (42)
Executive Regulations

- (1) The Cabinet shall issue the Executive Regulations that include the following:
 - a. Detailed conditions, procedures and terms of the Procurement Process through the Procurement System.
 - b. Roles of the relevant regulatory units concerned for the Procurements in the Federal Entities.
 - c. Specify the tasks and roles of the Procurement committees of the Federal Entities.
 - d. Specify the methods, categories and level of the Procurements and the related provisions.
 - e. Procurement provisions related to the Delegation Matrix.
 - f. Specify the Procurement Processes and the related detailed provisions.
 - g. Specify the type and forms of contracts.
 - h. Cases of non-compliance.
 - i. Forms used in the Procurements.
 - j. Any other provisions, procedures or working manuals that regulate the Procurement Processes of the Federal Entities and specify the concerned entities for their issuance.
- (2) The Minister shall issue the Manuals and procedures required for implementing the provisions of this Law and the Executive Regulations.
- (3) The Independent Federal Entities may adopt their own regulations and policies in accordance with the provisions of this Law, provided that they are guided by the Executive Regulations in their preparation

Article (43)
Cancellation

- (1) Any provision that contradicts or conflicts with the provisions of this Law shall be repealed.
- (2) Cabinet Resolution No. (1/1f) of 2022 on the Approval of the Digital Procurement Policy of the Federal Government and Cabinet Resolution No. (4) of 2019 on the Procurement and Warehouse Management Regulations in the Federal Government shall continue to be implemented, until the Executive Regulations and Manuals and any other related policies are issued, to the extent that they do not conflict with the provisions of this Law.

Article (44)
Contracts Concluded Before the Issuance of this Law

This Law shall not apply to the Procurements of the Federal Entities that were concluded before the date of its entry into force. The provisions of their respective contracts and the legislation applicable to them prior to the issuance of this Law shall apply to such Procurements, and it shall not be permissible to amend, renew or extend these Procurement contracts except in accordance with the provisions of this Law.

Article (45)
Law Publication and Enforcement

This Law shall be published in the Official Gazette and shall come into force as of the day following the date of its publication.

Mohammed bin Zayed Al Nahyan
President of the United Arab Emirates

Issued by us at the Presidential Palace in Abu Dhabi:

On: 13/ Jumada Al Awwal/ 1445H

Corresponding to: 27/ November/ 2023