

## **Federal Law No. (3) of 2020 Regulating the Strategic Stock of Food Commodities in the State**

**We, Khalifa bin Zayed Al Nahyan**

**President of the United Arab Emirates,**

- Upon reviewing the Constitution;
- Federal Law No. (1) of the Year 1972 on the Competences of Ministries and Powers of Ministers, and its amendments;
- Federal Law No. (5) of 1975 Concerning the Commercial Register;
- Federal Law No. (18) of 1981 Concerning the Regulation of Trade Agencies, and any Amendments thereof;
- Federal Law No. (5) of 1985 Promulgating the Civil Transactions Law, as amended;
- Federal Law No. (3) of 1987 Promulgating the Penal Code, as amended;
- Federal Law No. (35) of 1992 Promulgating Penal Procedures Code, as amended;
- Federal Law No. (18) of 1993 Promulgating the Commercial Transactions;
- Federal Law No. (28) of 2001 Concerning Setting up of Emirates Specifications and Standards Authority, as amended;
- Federal Law No. (17) of 2004 on the Combating of Commercial Concealment;
- Federal Law No (17) of 2006 Establishing the Supreme Council for National Security, and any amendments thereof;
- Federal Law No. (24) of 2006 Concerning the Consumer Protection, and amendments thereof;
- Federal Law by Decree No. (2) of 2011 Establishing the National Emergency, Crisis and Disasters Management Authority, and any amendments thereof;
- Federal Law No. (4) of 2012 on the Regulation of Competition;
- Federal Law No. (2) of 2015 Concerning Commercial Companies and its amendments;
- Federal Law No. (10) of 2015 on Food safety;
- Federal Law No. (10) of 2018 for Products safety;
- Federal Law No. (19) of 2016 on Combating the Commercial Fraud;
- And pursuant to the proposal presented by the Minister of Economy, and approval of the Cabinet

and the Federal National Council, and ratification of the Supreme Federal Council,

**We promulgate the following Law:**

## **Article (1)**

### **Definitions**

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

<b>State</b>	: United Arab Emirates.
<b>Ministry</b>	: Ministry of Economy.
<b>Minister</b>	: Minister of Economy.
<b>The Competent Entity</b>	: The Government Federal or local Entity that is duly authorized to organize, supervise or control the strategic stock of food commodities.
<b>The Authority</b>	: National Emergency, Crisis and Disasters Management Authority.
<b>Warehouse</b>	: The place dedicated by the registered vendor to store food commodities and save the same as a strategic stock.
<b>Food Commodities</b>	: All food commodities as determined by the Ministry.
<b>Strategic Stock of Food Commodities</b>	: All food commodities specified by its names and quantities required to be stored subject to provisions of this Law.
<b>Safe Stock</b>	: The specified percentage the strategic stock of food commodities must less than it subject to provisions of this Law.
<b>Commodities Stock Management</b>	: A group of activities the provider and registered vendor perform in connection with the provision and safety of stored commodities subject to the Resolution issued by the Minister.
<b>Provider</b>	: The producer or importer who provides food commodities for distributors and vendors, whether inside or outside the State.
<b>Registered Vendor</b>	: Any person who conducts a business in connection with food commodities and is licensed in the State for the purpose of the application of this Law.
<b>Register</b>	: The register where providers and vendors are recorded and categorized.

## **Article (2)**

### **Applicability**

Provisions of this Law shall be applicable to the provider and the registered vendor.

## **Article (3)**

### **Competencies of the Ministry**

For the purposes of application of provisions of this Law, the Ministry shall have the following competencies:

1. Proposing policies, plans and programs relevant to the strategic stock of food commodities in coordination with the competent entity and to present the same to the Cabinet for approval.
2. Coordination with the joint economic committees of States providing the commodities concerning the programs that relate to the strategic stock of food commodities.
3. Putting the plans and programs of the volume and quantity of the safe stock and increasing the capacity of the strategic stock of food commodities in case of the increase of demand for food commodities at the State level.
4. Preparation of reports, studies, statistics and economic assessment concerning food commodities and estimation of the volume of consumption and determining the surplus and shortage.
5. Preparation of databases about the production and provision of food commodities in the State and countries of origin and follow up the databases of the providers.
6. Coordination and execution of policies to ensure, maintain and keep the strategic stock of food commodities, in collaboration with the Authority and the competent entity, to achieve a safe strategic stock of food commodities.
7. Review periodically with the competent entity to check the current balance of food commodities at the registered vendor.
8. Supervision of databases and electronic connection preparation with respect to warehouses, the strategic stock of food commodities and requirements of food commodities storing.
9. Monitoring the compliance of providers and registered vendors to the laws and instructions relevant to the execution of provisions of this Law.
10. Determining and updating a list of food commodities.
11. Determining the volume of the strategic stock of food commodities and percentage of the safe

stock.

12. Reviewing the reports of the competent entity or any other relevant entities and taking what is required.
13. Reporting recommendations to the Minister concerning the grant of incentives and facilities for registered vendors.
14. Submitting reports periodically to the Cabinet concerning the strategic stock of food commodities in the State.

The Minister may form a subcommittee or committees to execute the aforementioned competencies in this Article.

## **Article (4)**

### **Register**

The Minister shall, after coordination with the competent entity, establish a register to record and categorize providers and vendors.

Conditions and procedures of registration shall be determined by a resolution of the Minister.

## **Article (5)**

### **Obligations of the Provider and Registered Vendor**

The provider and the registered vendor shall abide by the following:

1. Maintain the safe stock subject to the provisions of this Law.
2. Supply the strategic stock of food commodities upon request.
3. Electronic connection with the competent entity and the Authority to ensure the continuous follow up of quantities, kinds and condition of the strategic stock of food commodities.
4. Execution of resolutions issued by the competent entity.
5. Distribution of the strategic stock of commodities in case of emergencies, crises or disasters according to the distribution plans prepared by the Authority in coordination with the competent entity.

## **Article (6)**

### **Warehouses and Storage Conditions**

The registered vendor shall manage the strategic stock of food commodities according to the following:

1. Designation of the site, space and volume of the warehouse dedicated for the strategic stock of food commodities, provided that it shall be inside the State.
2. Informing the competent entity with the site of the warehouse.
3. Keeping and managing the strategic stock of food commodities as per specifications and measurements approved in the State.

## **Article (7)**

### **Incentives and Facilities**

Incentives and facilities may be granted to the provider and registered vendor according to the conditions and requirements for which a Cabinet resolution shall be issued based on the proposal of the Minister and upon coordination with the competent entity.

## **Article (8)**

### **Penalties**

The application of the penalties stipulated herein shall not prejudice any more severe penalty stipulated by any other law.

## **Article (9)**

1. Whoever violates the provision of Paragraphs (1, 2 and 4) of Article (5) of this Law shall be punished of a penalty of no less than (500.000) five hundred thousand dirhams and no more than (2.000.000) two million dirhams.
2. Whoever violates the provisions of Paragraphs (3) of Article (5) and Article (6) of this Law shall be punished of a penalty of no less than (100.000) five hundred thousand dirhams and no more than (1.000.000) one million dirhams.
3. Whoever violates the provisions of Clause (5) of Article (5) of this Law shall be punished of a penalty of no less than (1.000.000) one million dirhams and no more than (5.000.000) five million

dirhams.

4. The penalties established for the violations stipulated herein shall be doubled in cases of recidivism.

### **Article (10)**

#### **Judicial Enforcement**

Employees who are determined by a resolution by the Minister of Justice in agreement with the Minister or the head of the competent entity shall be granted the power of judicial officer in proving the violation of the provisions of this Law, Regulation and the resolutions issued for its enforcement, each within their area of competence.

### **Article (11)**

#### **Repealing the Violating Provision**

Any provision contrary to or inconsistent with the provisions of this Law shall be repealed.

### **Article (12)**

#### **Executive Resolutions**

The Minister shall issue the resolutions necessary for the enforcement of the provisions of this Law.

## **Article (13)**

### **Law Publication and Entering into Force**

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

**Khalifa Bin Zayed Al Nahyan**  
**President of The United Arab Emirates**

Issued by us at the Presidential Palace in Abu Dhabi:

Date: 06 Sha'ban 1441 H

Corresponding to: 30 March 2020