

Cabinet Resolution No. (78) of 2023 on Issuing the Executive Regulations of the Federal Decree-Law No. (25) of 2022 Concerning the Regulation and Development of Industry

The Cabinet:

- After perusal of the Constitution;
- Federal Law No. (1) of 1972 Concerning the Ministers Jurisdictions and Authorities, and amendments thereto;
- Federal Decree-Law No. (37) of 2021 Concerning the Commercial Registry;
- Federal Decree-Law No. (25) of 2022 Concerning the Regulation and Development of Industry;
- Cabinet Resolution No. (107) of 2022 on issuing the Executive Regulations of Federal Decree-Law No. (37) of 2021 Concerning the Commercial Registry; and
- Based on the proposal submitted by the Minister of Industry and Advanced Technology, and the approval of the Cabinet,

Has resolved:

Article (1)

Definitions

In applying the provisions of this resolution, the terms and expressions therein shall bear the identical definitions as prescribed in Article (1) of the aforementioned Federal Decree-Law No. (25) of 2022. Moreover, the subsequent terms and expressions shall bear the meanings ascribed to them, unless the context requires otherwise:

Industrial	:	A document issued by the Ministry for the purposes of granting
Production License	:	the industrial establishment the privileges and exemptions specified by the Cabinet.
Commercial Registry	:	The registry established at the competent authority pursuant to the aforementioned Federal Decree-Law No. (37) of 2021,

which includes all the data stipulated in the above-mentioned Decree-Law and Cabinet Resolution No. (107) of 2022 referred to.

Economic Registry

The registry established at the Ministry of Economy pursuant to the aforementioned Federal Decree-Law No. (37) of 2021,
: which includes all the data stipulated in the above-mentioned Decree-Law and Cabinet Resolution No. (107) of 2022 referred to.

Decree-Law

The aforementioned Federal Decree-Law No. (25) of 2022
: Regarding the Regulation and Development of Industry;

Article (2)

Industrial Establishments Controls

Industrial establishments to which the provisions of the Decree-Law apply shall fulfil the following controls:

1. The industrial establishment shall have a specific location for carrying out industrial activity in the country;
2. The primary purpose of the industrial establishment shall be the conversion of raw materials into fully or semi-manufactured products, or the conversion of semi-manufactured products into fully-manufactured products;
3. The activity practiced by the establishment shall be an industrial activity in accordance with the International Standard Industrial Classification of Economic Activities approved by a resolution of the Minister, after coordination with the licensing authorities and the concerned authorities; and
4. All or most of the manufacturing operations shall be carried out by mechanical power.

Article (3)

Industrial Registry Data and Information

1. The licensing authority and other concerned authorities shall share with the Ministry the data and information related to industrial establishments contained in their databases, particularly the commercial registry and the economic registry, and any change or update thereto.
2. In addition to the data and information referred to in Clause (1) of this Article, the industrial registry shall include the following data and information:
 - a. Number of the Industrial Production License and date of issuance thereof, if any;
 - b. The main industrial activity and subsidiary industrial activities, if any;
 - c. Machinery, equipment, spare parts, raw materials, semi-finished materials, finished materials and packaging materials required for industrial production according to the Harmonized System Code (HS Code) and the financial value and weight thereof in kilograms;
 - d. Total investment cost of the industrial establishment, and sources of financing and loans provided thereto;
 - e. The actual production capacity and the maximum designed production capacity of the industrial establishment;
 - f. Size of the national and foreign workforce in the industrial establishment;
 - g. Revenues and expenses of the industrial establishment, and obligations thereof; and
 - h. Financial statements of spending on research and development, if any.

Article (4)

Procedures of Registration and Amendments in the Industrial Registry

1. The data and information referred to in Article (3) herein shall be recorded in the industrial registry, and any amendment thereto shall be under the same identification number issued to the industrial establishment in the economic registry.
2. The Ministry may require industrial establishments to provide them with the data and information referred to in Clause (2) of Article (3) of this resolution, in accordance with the controls issued by a resolution of the Minister.

3. The licensing authority and the concerned authorities shall electronically link and share the data and information contained in any of their databases with the industrial registry. In the event of any technical challenges related thereto, they shall share such data and information within a period not exceeding (3) three business days by any means in coordination with the Ministry.

Article (5)

Controls of Industrial Registry Data and Information Availability

1. The Ministry may publish and make available the following data and information related to the industrial establishments registered in the Industrial Registry and the amendments occurred thereto, on its website:
 - a. The trade name of the industrial establishment in both Arabic and English;
 - b. The legal form of the Industrial Establishment;
 - c. The number and name of the industrial activity;
 - d. Address of the industrial activity;
 - e. The industrial license number, issuance and expiry date thereof;
 - f. The number of the industrial establishment in the commercial registry and the economic registry; and
 - g. Date of registration in the industrial registry.
2. The Ministry may not publish and make any of the following data available except after obtaining a written consent from the owner of the industrial establishment:
 - a. The amount of capital invested in the industrial establishment;
 - b. The actual annual production of the industrial establishment;
 - c. The annual industrial establishment sales volume; and
 - d. Balance sheets and final accounts of the industrial establishment.

Article (6)

Obtaining an extract from the Industrial Registry

1. In order to obtain an extract from the data and information registered in the industrial registry, the following shall be required:
 - a. The applicant shall be the owner of the industrial establishment, a partner therein, or one of the heirs of either of them, provided that a copy of the documents proving his legal capacity shall be submitted; and
 - b. Determining the nature of the data and information from which an extract is required.
2. Any of those mentioned in Paragraph (a) of Clause (1) of this Article shall submit an application to obtain an extract of the data and information to the Ministry, according to the form prepared for such purpose, accompanied by documents supporting the validity of data contained therein.
3. After fulfilling the requirements, the Ministry shall decide on the application within (2) business days. In case of approval, the applicant shall be given an official extract approved by the Ministry.

Article (7)

Access to the Industrial Registry Contents

1. Any individual with a capacity or interest other than specialists from the employees of the Ministry, licensing authorities or judicial authorities may submit a formal request for accessing specific data and information that may not be publicly disclosed or made accessible through the website of the Ministry. Such requests shall be subject to the following controls:
 - a. Access to the data shall be necessary to carry out the tasks entrusted thereto and
 - b. Determination of the nature of the data and information to be accessed and justifications for the access.
2. The Ministry shall study the application and issue its decision in this regard within a period not exceeding (3) three business days. In case of approving the request, the Ministry shall allow the applicant to have access to the data and information required to be accessed.
3. Anyone who has access to the data and information in accordance with the provisions of

Clause (1) of this Article shall not disclose any of these data and information.

Article (8)

Industrial Production License Controls

The Ministry shall issue industrial production licenses according to the following controls:

1. Issuance of approval or industrial license by the licensing authority;
2. Compliance with the controls stipulated in Article (2) of this resolution; and
3. The industrial establishment shall be categorized as one of the establishments that successfully fulfil the objectives outlined in the industrial strategies of the country, as stipulated in Clause (2) of Article (7) of the Decree-Law.

Article (9)

Industrial Production License Issuing Procedures

1. The owner of the industrial establishment may submit an application to obtain an industrial production license according to the form prepared for this purpose by the Ministry;
2. The assessment stipulated in Paragraph (1) of this Article shall at least include the following:
 - a. Number of industrial establishments in the economic registry. If the establishment was not registered in the economic register at the time of submitting the application, in such case, the application shall include the data and information contained in the commercial registry or in any of the databases of the licensing authority;
 - b. Data and information stipulated in Clause (2) of Article (3) herein;
 - c. Approval or license issued by the licensing authority; and
 - d. Advantages and exemptions that the owner of the industrial establishment wishes to obtain.
3. The Ministry, in coordination with the licensing authority, may inspect the industrial establishment to ensure that it meets the controls stipulated in Article (8) of this resolution.
4. The Ministry shall study the application and verify its fulfilment of the required data,

conditions and documents.

5. The Ministry shall be responsible for issuing an industrial production license for a duration that aligns with the validity period of the corresponding approval or license granted to the establishment, upon payment of the prescribed fee.
6. In the event that the decision to issue an industrial production license is denied, the owner of the industrial establishment shall reserve the right to file an appeal within a period of ten (10) business days, commencing from the day subsequent to the receipt of the notice of application rejection. The Ministry shall render a determination on the appeal within a period of three (3) business days, in accordance with the mechanism established by the Minister.

Article (10)

Industrial Production License Renewal

1. The industrial production license shall be renewed thirty (30) days prior to its expiry date, and after fulfilling all the requirements of the licensing authority and the concerned authorities related to the industrial activity of the establishment.
2. The renewal application shall be submitted to the Ministry according to the form prepared for such purpose, accompanied by documents supporting the validity of the data and information contained in the application.
3. The Ministry shall study the application and verify that it meets the required data, conditions and documents and issue its decision in this regard within (3) three business days, provided that the period shall commence as of the date of completion of the renewal requirements.
4. In the event of approving the license application, the Ministry shall issue the license under the same identification number of the establishment in the economic registry, after paying the prescribed fee.

Article (11)

Suspension & Revocation of Industrial Production License

1. The Ministry shall suspend the industrial production license in the event of any of the following cases:

- a. Upon request of the owner of the industrial establishment, with justifying the reasons for such request;
 - b. Failure to commence practicing the industrial activity with no justified reasons for such delay;
 - c. The industrial establishment stopped working for a period exceeding (6) six months without legal justification; or
 - d. Approval of the licensing authority to make a change in the industrial establishment that necessitates amending the data of the industrial production license without notifying the Ministry in accordance with the provisions of Clause (2) of Article (12) of this resolution.
2. The Ministry shall revoke the industrial production license in the event of any of the following cases:
- a. Upon writing-off the establishment in the commercial registry, the economic registry, or in any of the databases associated with the industrial registry;
 - b. Revoking the approval or license issued by the licensing authority; or
 - c. Violating any of the controls for granting industrial production licenses.
3. In the event that the Ministry suspends or revokes the industrial production license, it shall promptly provide notice to the owner of the establishment within a time-frame of two (2) business days, commencing from the date of suspension or revocation. The owner of the establishment shall possess the right to file an appeal against said decision within a period of five (5) business days, accompanied by a statement outlining the grounds for the grievance. The Ministry shall decide on the grievance request within a period not exceeding (3) business days from the date of submitting the request according to the mechanism specified by the Minister. The expiry of this period without a response shall be considered an implicit rejection of the request.

Article (12)

Disposing of or Altering the Industrial Establishment

1. The owner of the industrial establishment shall notify the Ministry and the licensing authority, according to the mechanism determined by each of them, of his desire to sell,

mortgage, lease or assign the industrial establishment, in whole or in part, within a period of no less than (5) business days prior to the disposal.

2. The owner of the industrial establishment must obtain the approval of the licensing authority prior to engaging in any activities that would result in alterations to production, expansion, development, merger with another industrial establishment, division into multiple projects, or relocation of the industrial establishment. The licensing authority shall notify the Ministry within a minimum period of three (3) business days, allowing the Ministry to undertake the necessary measures in response to such actions.

Article (13)

Judicial Enforcement Controls

Judicial enforcement officers shall observe the following controls:

1. Entering any industrial establishment subject to the provisions of the Decree-Law during official working hours, and no prior notification is required;
2. Carrying out any necessary examination or investigation to verify the implementation of the provisions of the Decree-Law and the resolutions issued for implementation thereof, in particular they may:
 - a. Have access to all documents related to the work of the industrial establishment and obtain copies thereof; and
 - b. Monitor the production process, and take a sample of materials used in industrial processes or a sample of a product that is likely to have a harmful effect on health and safety, with the aim of analyzing it in official laboratories in the country, while notifying the owner of the industrial establishment or his representative of the result and taking the appropriate measures in this regard.
3. Asking any of the workers in the industrial establishment about the work carried out therein;
4. Discussing the content of records, documents and accounts with the officials in charge thereof; and
5. The judicial enforcement officer, in the event of detecting any violation, shall issue a report of the incidents subject of the violation, including the following data:

- a. Date and time of issuing the report;
- b. Type of inspection or examination;
- c. Name of the industrial establishment and its geographical location;
- d. Name of the official in charge present in the industrial establishment at time of the inspection or examination;
- e. A statement of the incident, subject of the violation attributed to the industrial establishment;
- f. Statement of the official in charge regarding the violation attributed to the industrial establishment;
- g. Signature of the official in charge to certify his statement or what proves his refusal to sign;
- h. Time of closing the report; and
- i. Signature of the reporter.

Article (14)

Reconciliation Controls on the Crime of Practicing Activity Without an Industrial License

1. The Ministry or the licensing authority may reconcile with the owner of the industrial establishment in the event that he practices the industrial activity without obtaining the industrial license, provided that the value of the reconciled amount shall not exceed (1,000,000) one million Dirhams, according to the following controls:
 - a. The owner of the industrial establishment found to be in violation, or their duly authorized legal representative, shall be required to submit a request for reconciliation to the Ministry or the licensing authority, as the case may be, within a period of ten (10) business days from the date of being notified of the alleged violation. Such request shall adhere to the prescribed form prepared by the Ministry or the licensing authority for this specific purpose. Additionally, the request shall include all necessary data and supporting documents as stipulated by a resolution issued by the Ministry or the licensing authority.
 - b. The request shall include a written acknowledgement from the violator or his legal

- representative of the violation and the date and place of its commission.
- c. The Ministry or the licensing authority shall render its decision concerning the reconciliation request within a period of twenty (20) days from the date of submission, in accordance with the procedures established by each entity for this purpose. The resolution shall include explicit details regarding the amount of the reconciliation payment that the violator is obligated to remit, the designated deadline for payment, and the authorized entity responsible for receiving the payment. Provided that these particulars shall be duly recorded in an official record specifically prepared for this purpose.
 - d. The Ministry or the licensing authority may extend the deadline specified in the settlement decision, in the event that the violator submitted a request to extend it and had serious reasons that prevented him from paying the reconciled amount within the deadline.
 - e. In the event of completion of the reconciliation procedures, the minutes of reconciliation and attachments thereof shall be presented to the Minister or the head of the licensing authority, or whomsoever entitled by either of them, to indicate that the violation has been preserved after the perpetrator has paid the amount reconciled.
2. If the violator or the Ministry or the competent licensing authority, as the case may be, refuses to reconcile, or the violator does not pay the reconciled amount, the Ministry or the licensing authority shall notify the competent Public Prosecution by a letter prepared for this purpose. Such a letter shall be considered a request to initiate a criminal case or to refer it to the competent court, as the case may be.
 3. None of the conciliation procedures provided for in this Article shall prejudice the obligation of the violator to remove the causes of the violation in accordance with the provision of Article (13) of the Decree-Law. In all cases, the penal action shall lapse upon payment of the reconciliation amount.

Article (15)

Executive Resolutions

The Minister shall issue the Resolutions necessary to apply the provisions of this Resolution.

Article (16)

Repeals

1. Ministerial Resolution No. (26) of 1980 Regarding the executive regulation of the Federal Law No. (1) of 1979 on regulating industrial affairs shall be repealed.
2. Any provision that violates or contradicts the provisions of this Resolution shall be repealed.

Article (17)

Publication and Entry into Force

This Resolution shall be published in the Official Gazette and shall come into force three months after the date of its publication.

Mohammed Bin Rashid Al Maktoum

Prime Minister

Issued by Us:

Date: Dhu al-Hijja 22, 1444 H

Corresponding to: July 10, 2023