Cabinet Resolution No. (122) of 2024
On Executive Regulation of Federal Law No. (11) of 2023 on Procurement in the Federal Government

The Cabinet:

- Upon reviewing the Constitution;
- Federal Law No. (1) of 1972 on the Competences of Ministries and the Powers of Ministers, as amended;
- Federal Decree-Law No. (26) of 2019 Concerning Public Finance, as amended;
- Federal Law No. (11) of 2023 regarding Federal Government Procurement;
- And upon the proposal of the Minister of Finance and the approval of the Cabinet,

Has resolved as follows:

Article (1)
Definitions

The definitions stated in the aforementioned Federal Law No (11) of 2023 shall apply to this Resolution; otherwise, the following words and phrases shall have the meanings assigned to each of them, unless the context otherwise requires:

Law	:	Federal Law No. (11) of 2023 regarding Federal Government Procurement.
Federal Agency	:	The Federal Agency that is subject to the provisions of this Law.
Chairman of The Federal Agency	:	The Minister, the Chairman of the Federal Agency, the Board of Directors (BOD), or the like, as the case may be.
A Business Day	:	The official business day in the State.
Digital Procurement Platform	:	Digital Procurement Platform established at the Ministry.
Central Procurement Unit	:	The organizational unit within the Ministry responsible for managing the procurement system across the Government. This

		shall include policies, procedures, by-laws, activities, and procurement documentation for the Government.
Procurement Organizational Unit	:	The organizational unit within each Federal Agency responsible for roles and responsibilities related to procurement and the execution of purchasing procedures within the Federal Agency.
Requesting Organizational Unit	:	The organizational unit within the Federal Agency that submits procurement requests through the procurement system to obtain the necessary items to meet its needs.
Grievance Committee	:	The committee established within the Federal Agency to review grievances submitted by suppliers concerning resolutions issued by the agency, in accordance with the provisions of this Resolution.
Procurement Committee	:	The committee established within the Federal Agency to carry out tasks related to procurement processes, in accordance with the provisions of this Resolution.
Contract Management Officer	:	An employee of the contracting Federal Agency who represents the Agency in all matters related to the contract and is authorized to deal with the supplier on its behalf.
Procurement Strategy	:	A document prepared by the Procurement Organizational Unit for specific procurement processes, outlining the procurement methods, expected timelines, evaluation criteria, and risks (if any) associated with the procurement opportunity, in coordination with the relevant units.
Procurement Opportunity	:	Any bid, tender, auction, or purchase orders issued by a Federal Agency in accordance with the provisions of the law and this Resolution.
Tender Documents	:	All documents and materials related to the procurement process, which include the tender announcement, request for information, request for prices, request for proposals, request for pre-qualification, supplier instructions, general and special conditions,

		specifications and requirements for procurement, evaluation and acceptance criteria, and any other documents relevant to the procurement process as determined by the requesting Federal Agency.
Request for Proposals (RFP)	:	An invitation to suppliers to submit technical and financial proposals in accordance with the requirements of the federal agency within the procurement opportunity according to the scope of the tender documents in use.
Supplier Prequalification	:	The process of conducting an initial evaluation of the supplier's capacity to fulfil the required procurement in accordance with the prequalification criteria and requirements set by the requesting federal agency. This process includes information about the supplier's financial solvency, prior expertise, resumes of service providers, and other documents specified in the prequalification document. Only suppliers who are registered and accepted are eligible to submit bids for the limited tender related to those specific procurements.
Request for Pre-Qualification (RFPQ) Documents	:	The documents requested by the federal agency seeking procurement from the supplier during the supplier's prequalification process for any procurement opportunity the agency intends to issue as part of a limited tender.
Supplier Registration	:	The process of registering suppliers in the procurement system, undertaken by suppliers wishing to participate in procurement opportunities for federal agencies, in accordance with the terms and conditions set by the Ministry or the Federal Agency.
Suppliers Registry	:	The electronic database of registered and accepted suppliers in the procurement system, in accordance with the provisions of the law, this Resolution, and the Manual of Federal Government Procurement Procedures.

Suppliers Acceptance	:	The process through which a supplier is classified as an accepted and active supplier, which is a prerequisite for participation in procurement opportunities on the procurement system.
The Registered and Accepted Supplier	:	A supplier who is registered in the Supplier's Registry, has successfully completed the registration and acceptance process within the procurement system, and whose registration is confirmed through a notification, officially designating them as a registered and accepted supplier.
The Nominated Supplier	:	A registered and accepted supplier participating in a procurement opportunity, selected from a pool of suppliers based on predefined qualification criteria, in preparation for final negotiations, award, and contracting with respect to such procurement opportunity.
The Winning Supplier	:	A registered and accepted supplier involved in a procurement opportunity who has been awarded the contract, notified via an award decision, though the contract has not yet been finalized.
The Contracted Supplier	:	A registered and accepted supplier who has entered into a formal contract with a Federal Agency under a procurement agreement or purchase order for any procurements under applicable law and this Resolution, having met all necessary contracting requirements.
Award Decision	:	A decision made by the Federal Agency, in accordance with the delegation of authority matrix, to award the contract to the successful supplier. It includes informing the supplier of the acceptance of their bid and specifying any additional documents or requirements necessary to complete the contracting process for that procurement opportunity.
Exclusion Decision	:	A decision made by the Federal Agency, in accordance with the delegation of authority matrix, to exclude a supplier participating in a tender for any of the reasons specified for supplier exclusion.

Performance Bond	:	A guarantee issued on behalf of the supplier by a bank or a financial institution, whether inside or outside the State, in favour of the Federal Agency to ensure that the supplier fulfils their contractual obligations. The guarantee must be in favour of the contracting Federal Agency, unconditional, and valid throughout the contract period and for up to (90) ninety days after the contract ends.
Scope Of Work	:	The detailed technical requirements and execution specifications for the procurement that the supplier is required to fulfil, including all necessary details to clearly define the procurement in terms of type, quantity, method, and required duration of execution.
Bid Evaluation Criteria	:	The criteria set by the Requesting Federal Agency to evaluate and compare the bids submitted by registered and accepted suppliers participating in the procurement opportunity.
Purchase Order	:	An official document used to procure from registered and accepted suppliers under a pricing agreement, catalogue, low-value procurements, or based on a tender or request for proposals. It is issued by the Requesting Federal Agency through the procurement system, specifying the type, quantity, pricing, method, and timeline of the required procurements in a clear and unambiguous manner.
Procurement Contract	:	An agreement between the winning supplier and the Requesting Federal Agency, outlining the specific terms and conditions for the procurements as per the scope of the contract.
Standard Procurement Contracts	:	Unified procurement contract templates approved by the Ministry for use by Federal Agencies in procurement agreements, except for contracts requiring special drafting based on the nature of the procurements.
Subcontracting	:	An agreement between the supplier that is contracting with the Federal Agency, and a third party to undertake a part of the supply, activities, or services agreed upon in a tender awarded to the

supplier in accordance with the provisions outlined in this Resolution.

Suppliers Alliance : An agreement between two or more registered and accepted suppliers to provide specific procurements for a defined procurement opportunity for the Requesting Federal Agency. Under this agreement, responsibilities and obligations shall be distributed among the registered and accepted suppliers, who shall be jointly and severally liable for fulfilling all contractual obligations towards the Requesting Federal Agency.

Credit Note : A financial document issued by the supplier to the contracting Federal Agency to document the return of goods or to reduce the amount the Federal Agency owes the supplier based on a previous invoice issued prior to the date of the credit note.

Limited Tender : A tender in which the procurement opportunity is offered to a limited number of registered and accepted suppliers who have successfully passed the prequalification process for the procurement opportunity.

Direct Order : An exceptional procurement method where the Federal Agency contracts directly with a supplier from a group of registered and accepted suppliers available in the market, and the necessary justifications shall be provided.

Exclusive Source : An exceptional procurement method where the Federal Agency contracts directly with the sole qualified supplier for specific procurements, as there are no other qualified suppliers in the market for those procurements, with the necessary justifications shall be provided.

Price Agreement : A framework agreement concluded by the Federal Agency with the winning supplier to fix the prices of the procurements for a specified period, in accordance with the provisions of this

Resolution and the Manual of Procurement Procedures in the Federal Government.

Catalogue : A procurement method that includes a unified list of procurement items, detailing the unit price for each item or the goods offered by each supplier and the fixed prices for each item. Purchases shall be made by the Federal Agency through a purchase order from the Federal Procurement Catalogue or the local catalogue.

Federal Procurement Catalogue : A unified list of the items required by the Federal Government, categorized under specific procurement types in the catalogue. It includes the unit price for each item or category of goods, which are agreed upon by the Central Procurement Unit with registered and approved suppliers. These are fixed-price items provided by each registered and approved supplier, from which the Federal Agency purchases through a purchase order.

Local Catalogue : A unified list of items required by a specific Federal Agency, which is agreed upon by the Procurement Organizational Unit of that agency with registered and approved suppliers. The list shall include a specific category of goods for the agency's requirements, with the unit price for each item as per the agreed terms.

Technical Competition : An evaluation process for registered and approved suppliers within the catalogue, to verify the added value they bring to the Requesting Federal Agency. The goal is to select the most suitable supplier from among the registered and approved suppliers within the catalogue.

Low Value Procurements : A procurement method used when the value is below the approved purchase threshold. The purchase shall be fully managed by the relevant personnel in the requesting organizational unit.

Reverse Auctions : A negotiation method via the procurement system, where suppliers submit competitive prices in response to the

		specifications of a request for proposals. Suppliers can interact directly with the offers submitted by competing suppliers by offering lower prices until the lower price bids stop or until the deadline for the auction expires.
Petty Cash Card	:	A procurement method used for purchasing low value products and services not available in the catalogue or through a pricing agreement, using approved credit cards issued by the Federal Agency.
Conflict of Interests	:	A situation where there is a real or potential conflict between an employee's personal, financial, or moral interests and those of the Federal Agency in a way that could affect the employee's neutrality and performance of their duties and responsibilities objectively and with integrity during any stage of the procurement process or when exploiting their professional capacity to gain personal benefit.
Small and Medium Enterprises (SME)	:	Any company or sole proprietorship engaged in economic activity, classified as a small, medium, or micro enterprise by the relevant authority in the State.
Green Procurement	:	Procurements made with the goal of promoting environmentally responsible business practices and eliminating wasteful practices, while ensuring that stakeholder requirements are met. This is achieved by integrating environmental, economic, and social factors into corporate responsibility practices and decision-making.
Sustainable Products	:	Products that comply with applicable environmental standards throughout their life cycle, including efficient resource use, reduction of carbon emissions, and minimizing environmental harm.

Anti-Competitive Practices	:	Practices, alliances, or agreements explicitly or implicitly made by a supplier that constitute a violation of competition laws, or which reduce or prevent competition to the benefit of the supplier, to the detriment of other suppliers, or markets. Such practices also harm the integrity of procurement processes and include those outlined in the Federal Decree-Law No. (36) of 2023 on Competition Regulation and this Resolution.
Manual of Federal Government Procurement Procedures	:	A document that specifies the detailed requirements and procedures necessary for implementing the provisions of the Law and this Resolution. It is issued by Resolution of the Minister under Paragraph (2) of Article (42) of the Law.
Segregation of Powers Manual in The Federal Government	:	A manual issued by the Minister to segregate powers within the Federal Government.

Article (2)

Central Procurement Unit Tasks

Central Procurement Unit shall undertake the following tasks:

1. Preparing and suggesting procurement policies and standards to ensure effective governmental spending and improvement in the overall performance of the Government procurement system. This shall include the policies, procedures, activities, systems, and documents of procurement, in addition to management and classification of suppliers.
2. Developing procurement strategies at the Government level. This includes engaging and classifying registered and accepted suppliers, effectively managing relationships with them, and enhancing opportunities for small and medium-sized enterprises (SMEs) and local suppliers, ensuring support for the national economy's progress.

Credit Note:	A financial document issued by the supplier to the contracting Federal Agency to document the return of goods or to reduce the

	amount the Federal Agency owes the supplier based on a previous invoice issued prior to the date of the credit note.
Limited Tender:	A tender in which the procurement opportunity is offered to a limited number of registered and accepted suppliers who have successfully passed the prequalification process for the procurement opportunity.
Direct Order:	An exceptional procurement method where the Federal Agency contracts directly with a supplier from a group of registered and accepted suppliers available in the market, and the necessary justifications shall be provided.
Exclusive Source:	An exceptional procurement method where the Federal Agency contracts directly with the sole qualified supplier for specific procurements, as there are no other qualified suppliers in the market for those procurements, with the necessary justifications shall be provided.
Price Agreement:	A framework agreement concluded by the Federal Agency with the winning supplier to fix the prices of the procurements for a specified period, in accordance with the provisions of this Resolution and the Manual of Procurement Procedures in the Federal Government.
Catalogue:	A procurement method that includes a unified list of procurement items, detailing the unit price for each item or the goods offered by each supplier and the fixed prices for each item. Purchases shall be made by the Federal Agency through a purchase order from the Federal Procurement Catalogue or the local catalogue.
Federal Procurement Catalogue:	A unified list of the items required by the Federal Government, categorized under specific procurement types in the catalogue. It includes the unit price for each item or category of goods, which are agreed upon by the Central Procurement Unit with registered

	and approved suppliers. These are fixed-price items provided by each registered and approved supplier, from which the Federal Agency purchases through a purchase order.

3. Managing central procurement activities. This shall include, but is not limited to, managing categories, sourcing, overseeing the life cycle of procurement contracts, and continuously evaluating the procurement needs of the Federal Agency.
4. Strategic planning, forecasting Government procurement needs, searching for potential suppliers based on procurement needs, Government instructions, and national initiatives, with the aim of achieving higher procurement efficiency and supporting the national economy.
5. Developing and operating procurement processes through the digital procurement platform, supporting the digital transformation of Government procurement processes by adopting available digital tools.
6. Setting indicators to measure the Federal Government spend to measure compliance of federal agencies with procurement agreements and evaluate the performance of the registered suppliers and quality of their service.
7. Conducting analytical studies on market predictions and prevailing prices through monitoring demand for specific purchases, including data analysis and reporting in order to enhance efficiency and effectiveness.
8. Providing necessary guidance and technical support on the digital procurement platform for stakeholders from federal agencies and suppliers.
9. Managing the supplier registry, defining the requirements for registering and accepting suppliers and maintaining an up-to-date database of registered and accepted suppliers in the procurement system.
10. Ensuring consistency of procedures and processes on the digital procurement platform and their compliance with the law, this Resolution, and the manuals issued for their implementation.

11. Upgrading the efficiency of Government procurement spend through negotiating with suppliers and enhancing procurement processes within federal agencies using the federal procurement catalogue and pricing agreements.
12. Establishing a framework for classifying and managing suppliers in coordination with federal agencies, determining the applicable procedures for each category to achieve efficiency, effectiveness, and continuity in managing the procurement system for the Government.
13. Direct negotiation, conclusion, and management of pricing agreements, framework agreements, the federal procurement catalogue, and exclusive source at the federal agency level, covering multiple federal agencies subject to the Law.
14. Conducting periodic reviews of the specifications and characteristics of procurement within the federal procurement catalogue to meet the procurement needs of federal agencies, promote sustainability practices, green procurement, and increase local content, while monitoring the quality of procurements from suppliers within the federal procurement catalogue and ensuring compliance with contractual obligations.
15. Managing risks related to the continuity and integrity of the procurement and supply process in the Government.
16. Any other tasks assigned thereto by the Minister.

Article (3)

Tasks of the Procurement Organizational Unit in Federal Agencies

Procurement Organizational Unit shall undertake the following tasks:

1. Managing the procurement processes within the Federal Agency in full, determining requirements, implementing procurement planning activities, managing the categories for the local catalogue contracts of the Federal Agency, preparing the annual procurement plan, developing supply strategies, and managing procurement contracts.
2. Providing the necessary technical support for procurement processes and methods to the requesting organizational unit.

3. Providing support for the Ministry in supplier classification and building strong relationships with the federal agency's strategic suppliers.
4. Supervising supplier performance according to contractual provisions, evaluating supplier performance, and conducting risk management activities through the procurement system, and assessing suppliers performance after the closure of the procurement contract.
5. Participating in the evaluation processes for procurement opportunities.
6. Participating in market studies and consumption analysis, identifying future requirements, and presenting them to the Central Procurement Unit to determine the sources.
7. Participating in strategic planning and forecasting of Government procurement needs, searching for potential suppliers based on the Federal Agency needs, Government instructions, and national initiatives to achieve higher efficiency for the Federal Agency's procurements.
8. Collaborating with the Central Procurement Unit, complying with procurement through the Federal Procurement Catalogue and price agreements, and coordinating to include additional categories and procurements in the catalogue.
9. Maintaining all contracts and documents related to such federal agency's procurement activities.
10. Implementing Government initiatives and programmes in procurement processes to achieve strategic objectives and support the growth of the national economy.
11. Adopting available digital tools to support procurement activities.
12. Any other tasks assigned by Cabinet Resolutions or the head of the Agency.

Article (4)

Formation and Tasks of the Procurement Committee in Federal Agencies

1. The Procurement Committee in each Federal Agency shall be formed by a decision from the Head of the Federal Agency. The committee shall consist of a number of members from the employees of the Federal Agency, as specified in the formation decision. The

committee's term shall be three (3) years, starting from the date of the formation decision. The committee may be reformed at any time if necessary. Additionally, members of the committee may be reappointed by a decision from the Head of the Federal Agency, in accordance with the procedures and controls defined by the Ministry in the Manual of Procurement Procedures in the Federal Government.

2. Procurement Committee shall undertake the following tasks:
   a. Review and approve the award of contracts to suppliers whose value exceeds the amount specified in the Manual of Procurement Procedures in the Federal Government and the Powers Delegation Matrix, and approve exceptions related to Emiratisation requirements, the National In-Country Value (ICV) Program, and any other exceptions defined in the Manual of Procurement Procedures in the Federal Government.
   b. Approve amendments, extensions, and cancellations of tenders, in accordance with the controls defined in the Manual of Procurement Procedures in the Federal Government and the Powers Delegation Matrix.
   c. Approve the detention or deduction of an amount from invoices instead of providing a performance bond in cases where the supplier submits an official request, within the limits specified by the Manual of Procurement Procedures in the Federal Government and the Powers Delegation Matrix.
   d. Accept bids in a currency other than the UAE Dirhams.
   e. Any other tasks assigned by the Head of the Federal Agency.

Article (5)

Powers Delegation Matrix

1. The Powers Delegation Matrix, issued by a resolution of the Minister, defines the powers of authorized persons to approve financial and non-financial decisions related to the procurement of Federal Agencies, along with the financial limits associated with them, in accordance with the procurement methods outlined in the Law, this Resolution, and the Manual of Procurement Procedures in the Federal Government.

2. Federal Agencies shall adhere to the following principles of powers delegation:
    a. Compliance with the limits of powers defined within the Powers Delegation Matrix and the Segregation of Powers in the Federal Government Manual in all procurement activities.
    b. Do not delegate the same person with both the task of initiating the activity and approving it.
    c. Do not split or divide procurement requests into smaller amounts to circumvent the financial limits of approval defined in the Powers Delegation Matrix and the Manual of Segregation of Powers in the Federal Government.
    d. In cases where the designated person or position responsible for decision-making, as specified in the Powers Delegation Matrix, is unavailable for any reason, the appropriate person within the organizational structure of such Federal Agency shall be delegated by a decision from the Head of the Agency.

Article (6)

Federal Agencies Obligations

In addition to the obligations stipulated in Article (7) of the Law, Federal Agencies shall adhere to the following:

1. Comply with all provisions and requirements outlined in this Resolution, the Manual of Procurement Procedures in the Federal Government, the procurement system requirements, and exclusively contract with suppliers registered and accepted in the procurement system.
2. Use the procurement system for all matters related to procurement, in accordance with the procedures and controls defined by the Ministry in the Manual of Procurement Procedures in the Federal Government.
3. Adhere to the guidelines and standardized procurement procedures, in accordance with the terms and conditions specified in the Manual of Procurement Procedures in the Federal Government.

4. Periodically review and examine procurement processes in the procurement system to ensure compliance with the provisions of the Law, this Resolution, and the Manual of Procurement Procedures in the Federal Government.
5. Apply the procurement methods and procedures specified in this Resolution and promote procurement through available price agreements, including price agreements from auction platforms available in the State, as applicable to the Federal Agency.
6. Use the standard procurement contract templates approved by the Ministry. Federal Agencies may submit their own contracts to the Ministry for consideration regarding their potential use and circulation as new standard contracts.
7. Promote procurement through the Federal Procurement Catalogue and refrain from renewing procurement contracts if the items and categories included under those contracts are listed within the Federal Procurement Catalogue for agencies using the digital procurement platform or any other procurement system.
8. Promote procurement through the price agreements concluded at the Federal Agency level in the procurement system, in relation to the purchases included within those price agreements.
9. Sign procurement contracts with the winning suppliers within the periods specified in this Resolution.

Article (7)

Procedures of Procurement System Usage

The Federal Agency shall comply with the following provisions and controls when initiating any procurement process through the procurement system:

1. Supplier Registration and Acceptance: All suppliers desiring to participate in procurement opportunities for supplying goods and services to Federal Agencies shall register in the supplier registry via self-registration (electronically). The supplier's acceptance process begins once the self-registration is completed correctly and fully, in accordance with the specific terms and conditions. No supplier shall be allowed to participate in any tender unless he is registered and accepted.

2. Supply: All procurement opportunities shall be issued through the procurement system, including requests for information, requests for proposals, tendering, and electronic auctions, as well as the evaluation, award, and contracting between the Federal Agency and the supplier.
3. Contracting: The Federal Agency shall use the standard procurement contract templates that align with the nature of the procurement. The supplier shall be provided with a copy to sign in accordance with the provisions outlined in Article (36) of this Resolution. The winning supplier shall be granted a period not exceeding fifteen (15) business days from the date of receiving the procurement contract copy to sign the contract.
4. Contract Amendment: Contract amendments include modifications related to the project scope, cost, timeline, or any contract terms and conditions. Contract amendments shall be conducted in accordance with the provisions and terms specified in Article (37) of this Resolution.
5. Procurement: procurement processes shall be conducted through the procurement system. This shall include creating purchase requests, purchase orders, receipt notices, supplier purchase approval notices, and managing invoices and credit notes.
6. Supplier Performance Evaluation and Risk Management: The Federal Agency is entitled to monitor, review, and evaluate the performance of contracted suppliers, and to assess and manage risks.
7. Procurement Contract Closure: The contract is closed when its term ends and the Federal Agency receives the procurement according to the agreed specifications, completes all contract requirements and the scope of work, and issues a procurement approval notice. The contract manager must close the contract after verifying the completion of all delivery and payment procedures, the fulfilment of the contractors' rights and obligations, and the issuance of a notice confirming the end of the contract duration and its closure, unless both parties agree to extend the contract duration.

Article (8)

Prequalification of Suppliers

The Federal Agency may, when wishing to solicit offers, conduct a prequalification process for participating suppliers to verify that they possess the required qualifications and capabilities, including their technical capacities, financial and administrative competence, and performance capacity, in accordance with the following procedures and controls:

1. The Federal Agency must conduct prequalification for mega, strategic, complex, or high-cost projects.
2. When establishing prequalification criteria for suppliers, the following shall be considered:
    a. Financial solvency.
    b. Technical capabilities.
    c. Expertise.
    d. Size, nature, and estimated cost of the project.
    e. Size and specifications of similar completed projects.
    f. Size of current ongoing projects.
3. The prequalification criteria must be clear, objective, and for the public interest.
4. The Federal Agency shall announce the prequalification through the procurement system, ensuring the announcement includes at least the following:
    a. Name of the Federal Agency.
    b. Type, nature, and location of the project.
    c. Prequalification criteria and procedures.
    d. Date of submission of prequalification documents.
    e. Date of announcement of selected suppliers.
5. After completing the evaluation of the suppliers participating in the prequalification process, the Federal Agency shall follow these procedures:
    a. If one or more suppliers pass the prequalification process, the Federal Agency shall use the limited tendering process.

b. If only one supplier passes the prequalification process, the Federal Agency may use direct procurement with the nominated supplier, and the justifications must be assessed.
c. If no supplier applies for prequalification, the Federal Agency shall review the prequalification criteria and either conduct the prequalification process again or cancel it.

6. If a supplier successfully passes the prequalification process, the Federal Agency requesting the prequalification may consider such supplier as prequalified for any similar procurements issued by that agency within one year from the date of the supplier's prequalification for such procurements.
7. The Federal Agency shall notify the supplier of the result of their prequalification through the procurement system and invite the prequalified suppliers to participate in the limited tender for those procurements.

Article (9)

Suppliers Registration and Acceptance

1. All suppliers must register and must be accepted in the supplier registry in order to participate in procurement opportunities for Federal Agencies.
2. Registration in the supplier registry is made through the procurement system.
3. Suppliers registration in the registry allows access to procurement opportunities issued by Federal Agencies through the procurement system. Only registered and accepted suppliers are permitted to participate in procurement opportunities.
4. A supplier wishing to register must provide the required information and documents and agree to the terms and conditions of the registration process.
5. The acceptance process begins once the supplier has completed the registration requirements in the supplier registry. Additional documents may be requested from the supplier based on the supplier type.

6. After completing the registration and acceptance process, the supplier's account in the supplier registry is activated, allowing the registered supplier to participate in procurement opportunities issued by Federal Agencies through the procurement system.
7. Federal Agencies are prohibited from contracting with a supplier who is not registered and accepted in the supplier registry. Both the contracting Federal Agency and the supplier who enters into a contract without completing the registration and acceptance process shall be liable for violating the Law and this Resolution.

Article (10)

Impartiality

Subject to the provisions of Article (10) of the Law, the Federal Agency shall follow procurement practices that support impartiality in all procurement procedures by implementing the following:

1. Raising awareness among employees involved in procurement processes through training and awareness of best practices in Government procurement impartiality.
2. Ensuring that employees involved in procurement processes adhere to the principles of conduct and professional ethics outlined in the Manual of Procurement Procedures in the Federal Government.
3. Maintaining neutrality in the execution of procurement activities to ensure the trust of stakeholders in all decisions related to procurement processes.
4. Federal Agency employees shall immediately report any violation of ethical and conduct standards to their direct supervisor or the head of the procurement organizational unit, who, in turn, is responsible for investigating the violation and taking appropriate actions.
5. Suspending the procurement process in case of any violations compromising impartiality or suspicion thereof, and taking the necessary actions to restart the process.

Article (11)

Cases of Conflict of Interest and Reporting Mechanism

1. An actual conflict of interest occurs when an employee's personal interests, whether direct or indirect, affect their capacity to perform their responsibilities or make decisions in the procurement process in a manner that ensures impartiality, integrity, and fairness. This includes situations where the employee or their family members (up to the fourth degree), or any person with whom they have personal or social relationships, may gain a financial or personal interest as a result of their role in the procurement process.
2. A potential conflict of interest occurs when a Federal Agency employee has personal interests that could lead to a conflict if the employee participates in related procurement activities in the future.
3. A perceived conflict of interest refers to situations where it may reasonably appear that the personal interests of a Federal Agency employee could influence the decision-making process in procurement process, even if no actual influence has occurred.
4. If any conflict of interest arises, employees of the central procurement unit, procurement organizational units, and employees involved in any procurement process must disclose it through the procurement system to determine whether there is an actual, potential, or perceived conflict of interest in each procurement.
5. If an employee fails to disclose, such employee shall be excluded from participating in the procurement process or other penalties shall apply in accordance with the applicable legislations in the State.

Article (12)

Cases of Disclosing Supplier Information

The Federal Agency shall protect confidential or sensitive commercial information of suppliers, and the Federal Agency may not disclose any such information except in the cases specified in Article (12) of the Law and in case of one of the following cases occurs:

1. Disclosure for auditing and oversight purposes as a requirement for completing internal or external audits to ensure compliance with financial and operational standards.

2. Disclosure in emergency situations and crisis management.

Article (13)

Small and Medium Enterprises (SME)

1. Federal Agencies shall allocate (10%) ten percent of the annual procurement spend to small and medium-sized enterprises (SMEs).
2. The procurement organizational unit shall review and analyse past data to determine SME spending across various categories, verify the current supplier records, and identify potential opportunities for these companies to meet future business needs. This may include holding meetings with SME suppliers to understand and enhance their current capabilities across different categories.
3. The procurement organizational unit shall encourage SMEs to participate in procurement opportunities and ensure that sufficient information is provided to encourage their participation in the bidding process.
4. During the award process, an additional (10%) ten percent of the total points shall be applied to the final score in support of SMEs participating in the procurement opportunity, in accordance with the procedure outlined in the Manual of Procurement Procedures in the Federal Government.
5. Suppliers from SMEs shall be exempt from providing a performance bond. However, the amount withheld as a performance bond may be deducted from the supplier's initial invoices.
6. If a small or medium enterprise requests before the contract award that the requirements of the Request for Proposals document unduly limit its ability to compete in the procurement opportunity, the procurement organizational unit must review the request submitted by the enterprise and, if necessary, recommend methods to increase the opportunities for SMEs to compete.
7. A fair opportunity must be provided for SMEs to compete for all procurement opportunities that can be executed in line with the best interests of the Federal Agency. If necessary, the procurement organizational unit shall ensure the development of a

program to implement procurement processes, including realistic timelines that encourage the participation of SMEs in projects, consistent with the actual Government requirements.

8. The Federal Agency has the flexibility to implement economic incentives to support SME suppliers. This includes reducing or adjusting payment terms, particularly for contracts with these companies, or approving specific advance payments.

Article (14)

National In-Country Value (ICV) Program

1. The Federal Agency shall comply with the requirements of the National In-Country Value (ICV) Program issued by the Cabinet Resolution.
2. The Manual of Procurement Procedures in the Federal Government shall update the procedures the Federal Agency must follow when evaluating bids in the context of implementing the ICV Program, as well as the approvals required for granting exceptions to the procedures and mechanisms outlined in the manual.
3. The procedures the Federal Agency must apply during the bid evaluation process differ based on the total value of the procurement, as specified in the Manual of Procurement Procedures in the Federal Government.
4. The Manual of Procurement Procedures in the Federal Government shall define the guidelines applied to the Federal Agency during the procurement process with the aim of enhancing and supporting the ICV Program.

Article (15)

Emiratisation

1. The Federal Agency must take the necessary measures before starting any stage of the procurement process to encourage potential suppliers, as well as registered and approved suppliers, to comply with the Emiratisation percentages according to the terms and conditions specified in the Manual of Procurement Procedures in the Federal Government.

2. The Manual of Procurement Procedures in the Federal Government specifies exceptions for certain procurements or procurement opportunities from applying the provisions related to Emiratisation percentages.

Article (16)

Green Procurement

1. The Federal Agency must encourage green procurement and sustainable products wherever possible, depending on the type of procurement and the procurement requirements that meet the needs of the Federal Agency. The Federal Agency must also encourage registered and approved suppliers to comply with sustainability standards for procurement.
2. The Manual of Procurement Procedures in the Federal Government specifies the guidelines that the Federal Agency must follow to ensure its contribution to sustainable development and to promote procurement of green and sustainable products.
3. The Manual of Procurement Procedures in the Federal Government specifies any exceptions to applying the guidelines related to green procurement and sustainable products.

Article (17)

Procurement Methods and Approaches

The Federal Agency may utilize the following procurement methods and approaches:

1. Procurement Methods:
    a. Public Tender.
    b. Limited Tender.
    c. Direct Order and Exclusive Source.
2. Procurement Approaches:
    a. Price Agreement.
    b. Catalogue, including the Federal Procurement Catalogue and Local Catalogue.
    c. Low Value Procurements.

d. Petty Cash Cards.

Article (18)

Public Tender

1. Public tenders shall be announced through the Procurement System. Procurement opportunities for public tenders may also be published on the Federal Agency's website, provided that only registered and accepted suppliers are permitted to participate in procurement opportunities.
2. The use of public tenders is mandatory if the estimated value of contracts exceeds the threshold specified in the Manual of Procurement Procedures in the Federal Government.

Article (19)

Limited Tender

Federal Agencies may request for proposals via limited tenders for procurement opportunities requiring specific technical, managerial, or financial solvency capabilities. This must follow a prequalification process in accordance with the provisions of this Resolution and the terms and conditions outlined in the Manual of Procurement Procedures in the Federal Government. Suppliers who successfully pass the prequalification process are invited to submit their proposals for the limited tender opportunity via the procurement system.

Article (20)

Direct Order and Exclusive Source

1. The Federal Agency may utilize direct order procurement by contracting directly with a supplier from a group of registered and accepted suppliers available in the market, and the necessary justifications shall be provided.
2. Federal Agencies may resort to exclusive source to directly contract with the sole supplier registered in the procurement system for specific purchases, due to the absence of other suppliers in the market for such items or for reasons related to exclusive rights, including

patents and copyrights, or in case of non-competition due to technical reasons, or the lack of any acceptable alternative, with the necessary justifications provided.

3. Upon employing direct order procurement or exclusive source methods, Federal Agencies shall adhere to the following:
   a. The Federal Agency shall complete the justification form for procurement via direct order or exclusive source, prepared by the Requesting Federal Agency.
   b. The Federal Agency shall obtain approvals for purchase requests via direct order or exclusive source through the procurement system in accordance with the Powers Delegation Matrix.
4. Procurement through direct order or exclusive source may not permitted in the following cases:
   a. Absence of acceptable justification.
   b. Insufficient planning for procurement and the availability of adequate time to tender the procurement opportunity by the Requesting Federal Agency.
   c. Recurrent procurement where other suppliers exist in the market.

Article (21)

Price Agreement

A unified agreement entered into by the Ministry with a registered and approved supplier on behalf of Federal Agencies subject to the Law, or by a Federal Agency with a registered and approved supplier concerning the purchases of that Federal Agency. The purpose is to fix the prices of procurements for a specified period according to specific terms and procedures, while adhering to the following conditions:

1. The procurement opportunity via the price agreement must be tendered after evaluating the offers submitted by registered and approved suppliers on the procurement system.
2. The price agreement must specify the prices for each unit of procurements.
3. The price agreement must define the minimum and maximum quantities of required procurements, wherever possible.

4. The Central Procurement Unit may renew the price agreement with the same supplier for a duration exceeding the maximum contract renewal period specified in this Resolution, or re-offer the procurement opportunity for the procurements covered under the price agreement as deemed appropriate.
5. Performance bond is not mandatory under the price agreement unless deemed necessary to safeguard the interests of the Federal Agency and is requested by the contracting Federal Agency.

Article (22)

Catalogue

1. Procurement through a catalogue refers to the process in which Federal Agencies purchase products or services with standardized specifications and pre-determined prices listed in a catalogue – either the Federal Procurement Catalogue or the Local Catalogue. Suppliers are contracted to provide these products or services through the procurement system.
2. If any Federal Agency obtains lower prices than those specified in the Federal Procurement Catalogue, such Federal Agency must disclose this to the Central Procurement Unit to take necessary action and ensure that the benefit is shared with other Federal Agencies.
3. The procurement organizational unit in the requesting Federal Agency must verify the possibility of fulfilling the procurement requirements through available options in the Federal Procurement Catalogue before submitting a purchase request via other procurement approaches.
4. A Federal Agency wishing to make a procurement process through the Federal Procurement Catalogue must conduct a technical competition among registered and approved suppliers in the relevant procurement categories to select the supplier who offers the best technical specifications that meet the specific requirements of the procurement category.
5. The Federal Agency is prohibited to submit purchase requests via the procurement system for items available in the Federal Procurement Catalogue and shall not renew contracts

for procurements included in the Federal Procurement Catalogue applied to that federal agency.

6. If a required item is not available in the Federal Procurement Catalogue, the Federal Agency may request its addition in the catalogue, in coordination with the Central Procurement Unit.
7. The Manual of Procurement Procedures in the Federal Government shall specify the circumstances under which a Federal Agency may use Local Catalogues to meet specific needs.
8. The Central Procurement Unit may renew the Federal Procurement Catalogue with the same supplier for a duration exceeding the maximum contract renewal period specified in this Resolution, or re-offer the procurement opportunity for the procurements covered under the Federal Procurement Catalogue as deemed appropriate.

Article (23)

Low Value Procurements

The following controls shall be considered when conducting a low value procurement:

1. Necessary approvals shall be obtained in accordance with the Powers Delegation Matrix.
2. A Low Value procurement process shall not be used for items covered by a price agreement or the Federal Procurement Catalogue unless the items are not available, or if prices are obtained lower than those specified in the Federal Procurement Catalogue.

Article (24)

Petty Cash Card

The following controls shall be considered when conducting a Petty Cash Card:

1. The Petty Cash Card is one of the purchasing approaches that allows the requesting organizational unit to directly purchase low-value products or services and pay the price without a purchase request or purchase order.
2. Cash withdrawal from Petty Cash Cards is not allowed, except for payments to suppliers who only accept cash payments or for very simple purchases.

3. The Manual of Procurement Procedures in the Federal Government shall specify the necessary approvals and controls concerning the total annual petty cash expenses, identify the Petty Cash Card manager and cardholders, the limit on the cards, and the procedures for maintaining the petty cash balance in the bank account designated for this purpose.

Article (25)

Emergency Procurements

1. Emergency procurements are allowed upon obtaining the approval specified in the Powers Delegation Matrix in the following cases:
   a. Operational emergency, which involves an immediate disruption in operations due to a shortage of procurements, resulting in significant expenses, increased obligations for the Federal Agency, system outages, or posing a serious threat to assets or the environment in a way that requires urgent and immediate action.
   b. The need for procurement to address a specific crisis to prevent a direct threat to human safety.
2. Emergency procurements are exclusively allocated to meet the essential needs arising from the emergencies outlined in Clause (1) of this Article, and may not be used for any procurements other than these defined emergency cases. Repeated use in other cases is prohibited unless approved by the head of the Federal Agency.

Article (26)

Duration of submissions and response to the announcement

1. Suppliers shall be granted an adequate time to respond to the tender announcement, and the following controls shall be considered when determining the response periods of suppliers response:
   a. The response period is determined based on the type and size of the procurement, the nature of the required offers, and the information that is required be provided by the participating supplier in each procurement opportunity.

b. The response period for suppliers shall be (15) fifteen business days, which may be extended by the requesting Federal Agency to up to (30) thirty business days, based on the request of the Federal Agency.

2. If the Federal Agency issues clarifications or amendments to the tender, the deadline for submitting responses may be extended to allow participating suppliers to incorporate the changes into their proposals.

Article (27)

Tender Announcement Content

In addition to the details specified in Article (18) of the Law, the Federal Agency shall provide the information and data related to the tender on the procurement system, ensuring it includes at least the following:

1. The deadline for submitting proposals.
2. The deadline for requesting clarifications.
3. Specific delivery requirements, including details of the technical and financial proposal to be provided by the supplier.
4. Communication and inquiry procedures.
5. Evaluation criteria.
6. Scope of work and project outputs.
7. Timeline for delivering project outputs.
8. Requirements to be provided by the supplier.
9. Relevant stakeholders.
10. General Terms and Conditions.

Article (28)

Bid Evaluation Criteria

1. In addition to the criteria specified in Clause (1) of Article (22) of the Law, bids for tenders shall be evaluated in accordance with the principles of transparency and fairness, based on the following criteria:

a. The supplier's capacity to meet the requirements.
b. Innovation and creative solutions presented by the supplier.
c. The supplier's expertise and the expertise of their team.
d. Sustainable initiatives and practices adopted by the supplier in delivering their work and services, such as the use of recyclable materials, reducing environmental impact, or providing renewable energy solutions.
e. The value of the National In-Country Value (ICV) programme.

2. The Manual of Procurement Procedures in the Federal Government shall specify the technical and financial evaluation procedures and stages required based on the value of the procurements.

Article (29)

Cases of Negotiation with Suppliers

1. Negotiation with participating suppliers is mandatory in the following cases:
   a. If the total value of the contract exceeds the value specified in the Manual of Procurement Procedures in the Federal Government.
   b. The requesting Federal Agency may conduct reverse auctions through the procurement system as a method of negotiating financial proposals if the total value of the contract exceeds the value specified in the Manual of Procurement Procedures in the Federal Government.
   c. When negotiating long-term contracts.
   d. When additional services are required, such as maintenance, after-sales services, or any extra support or warranties.
2. The requesting Federal Agency may negotiate with suppliers in any of the following cases:
   a. If the request for proposals specifies that the requesting Federal Agency may engage in financial negotiations with the shortlisted suppliers.
   b. If there is a need to negotiate the terms and conditions of the contract.
   c. Any other cases determined by the Manual of Federal Government Procurement Procedures.

Article (30)

Exclusion of Suppliers from Participating in the Tender

1. In addition to the reasons specified in Clause (1) of Article (24) of the Law, the requesting Federal Agency may exclude participating suppliers for any of the following reasons:
   a. If the supplier engages in unethical practices or any practices that violate competition, including those specified in Article (51) of this Resolution.
   b. If there are concerns about the supplier's financial status or legal position.
   c. If the supplier's acceptance status in the supplier registry changes.
   d. If the requesting Federal Agency discovers that the supplier provided misleading or incorrect information in the offer or during the tender process.
   e. If the supplier is under legal sanctions or has financial or criminal violations.
   f. If the supplier fails to comply with environmental or social standards, such as using sustainable materials or respecting labour rights.
2. The decision to exclude a supplier is made by the Procurement Committee of the requesting Federal Agency for procurements within the jurisdiction of the committee, and for other cases, the decision is made by the procurement organizational unit of the requesting Federal Agency.

Article (31)

Award Procedures

The bid shall be awarded based on the evaluation criteria outlined in the tender announcement, in accordance with the procedures below:

1. Based on the results of the technical and financial evaluation and after completing negotiations with the shortlisted suppliers, the procurement organizational unit of the requesting Federal Agency recommends the supplier(s) to whom the award will be made.
2. Approvals of the award recommendation must be obtained according to the Powers Delegation Matrix.
3. A notification shall be sent to the winning supplier through the procurement system.

4. All correspondences related to the award must be conducted through the procurement system.
5. The procurement organizational unit of the requesting Federal Agency must send the contract to the winning supplier within maximum (10) ten business days from the date of notifying the supplier of the award.
6. The winning supplier must respond to the requesting Federal Agency and submit the required documents, contract, or performance bond within maximum (10) ten business days from the date of receiving the award notification.
7. The Central Procurement Unit must adhere to the awarding procedures outlined in this Article.

Article (32)

Award Decision

1. The Federal Agency shall prepare and send the award decision to the winning supplier, ensuring that the decision includes the following information:
   a. The name and address of the contracting Federal Agency.
   b. A brief description of the contract.
   c. The award criteria.
   d. The name of the winning supplier.
   e. Contract Value.
   f. The Contract Term.
   g. The contract execution location.
   h. A detailed bill of quantities.
   i. Any conditions or requirements the winning supplier must fulfil for the contract.
2. The details of the award decision may be published on the procurement system within (30) thirty days from the completion of the award and the signing of the contract, provided that it shall include the following information:
   a. The name and address of the contracting Federal Agency.
   b. A brief description of the contract.

c. The award criteria.

d. The name of the winning supplier.

Article (33)

Justification of the Award Decision

1. The requesting Federal Agency must respond to any inquiry from the unsuccessful supplier or any request for clarification of the reasons for their non-selection within no more than (10) ten business days from the date of the unsuccessful supplier's inquiry via the procurement system.
2. Federal Agencies may be exempt from justifying the award decision in the following cases:
   a. If there are emergencies or exceptional circumstances that require quick decisions, where detailed justification for the award decision may be disregarded.
   b. In cases where the agency is exempt from announcing or justifying the award decision for security reasons.
   c. In cases where Federal Agencies are granted direct authorizations to select a specific supplier for strategic reasons.

Article (34)

Types of Procurement Contracts

1. The types of procurement contracts include the following:
   a. Framework Agreement: A comprehensive agreement concluded between the Federal Agency and an approved and registered supplier, where the conditions and terms for purchasing a specific type of goods or services are agreed upon at fixed prices for a period of no less than one year. Under this agreement, the Federal Agency may issue purchase orders for the goods or services specified within the scope of the framework agreement.
   b. Local Agreement: An agreement that allows the requesting Federal Agency to conclude an agreement linked to a framework agreement made at the federal agencies level. The agency may specify a detailed scope or additional purchases within the scope of the

framework agreement. In case of conflict between the local agreement and the framework agreement, the local agreement must be time-bound or linked to the duration of the framework agreement, priority shall be given to the framework agreement concerning the general terms and conditions, while the local agreement shall apply to the specific procurements as determined by the requesting Federal Agency.

c. Simple Agreement: An agreement that provides the requesting Federal Agency the option to purchase through a simple agreement with an approved and registered supplier for a single procurement opportunity, typically involving simple and low value or recurring procurements. This does not require entering into a formal procurement contract, and the agency has the discretion to accept an offer or issue a purchase order as part of the simple agreement process.

d. Letter of Assignment: An official document that defines the terms and conditions of the relationship between the supplier and the requesting Federal Agency, especially in professional or standardized professional procurements. This document serves as a contractual agreement detailing the scope of work, responsibilities, expectations, fees, schedules, and other relevant terms, ensuring that both parties have a clear understanding of their commitments.

e. Any other types deemed necessary by the Ministry to support procurement in the Government or any Federal Agency.

2. The standard procurement contract templates provided by the Ministry for use by Federal Agencies include the following:
   a. Service Agreement Template.
   b. Product Supply Contract Template.
   c. Technology Product Supply Contract Template.
   d. Technology Services Agreement Template.
   e. Consultancy Services Agreement Template.
   f. Internal Works and Maintenance Contract Template.
   g. Outsourcing Agreement Template.

h. Vehicle and Driver Lease Agreement Template.
i. Federal Procurement Catalogue Contracts Template of various types.
j. Any other procurement contract or agreement templates developed by the Ministry to meet the procurement needs of Federal Agencies.

Article (35)

Procurement Contracts for Federal Agencies

Federal Agencies may draft special contracts that meet their needs and the nature of their procurements, if necessary, according to the nature and complexity of the procurements, in accordance with the terms and conditions specified in the Manual of Procurement Procedures in the Federal Government.

Article (36)

Contract Signing Procedures

Federal Agencies and suppliers shall adhere to the following procedures for signing contracts:

1. Upon issuing the award decision, the Federal Agency shall prepare the procurement contract based on the contract template used for that procurement opportunity, which is attached in the bid documents, or the appropriate procurement contract from the available contract templates in the procurement system. This shall be done within a maximum of ten (10) business days from the date of notifying the winning supplier of the award.
2. The Federal Agency shall prepare contracts of a special nature upon issuing the award decision, within a maximum of thirty (30) business days from the date of notifying the winning supplier of the award.
3. The contract management official shall provide the necessary inputs to define all procurement details in the contract.
4. The winning supplier must, upon receiving the procurement contract from the Federal Agency, provide the Federal Agency with the contract signed within a maximum of fifteen (15) business days from the date of receipt of the contract copies.

5. Upon receiving the signed procurement contract from the winning supplier, the Federal Agency must provide the winning supplier with the contract signed by the Federal Agency within a maximum of fifteen (15) business days from the date of receiving the signed contract counterparts.

Article (37)

Contracts Amendment

Procurement contracts may be amended according to the following provisions and controls:

1. Amendment relevant to the scope, cost, or terms and conditions of the contract:
   a. When there is a need to amend the contract or make any changes related to the scope of the contract, the amendment must be justified by clear and acceptable reasons, taking into account that the amendment does not result in a change to the contract value exceeding the percentage specified for amendments in the Manual of Procurement Procedures in the Federal Government.
   b. When there is a need to amend the contract or make any changes related to the contract value, the amendment must be justified by clear and acceptable reasons, taking into account that the value of the amendment must not exceed the percentage specified in the Manual of Procurement Procedures in the Federal Government. Besides, necessary approvals must be obtained to approve the amendment of the contract value according to the Powers Delegation Matrix.
   c. Other amendments related to changes in the scope and value of the contract must be considered, including adjustment to the execution schedule and other relevant terms and conditions.
2. Amendment relevant to the contract schedule (Contract Extension):
   a. The contract may be extended when there is a need to amend the contract schedule (only the duration of the contract execution), provided that such extension must not include any change to the scope, value of the contract, or any other terms and conditions.

b. The contracting Federal Agency, upon agreeing with the supplier on the necessary schedule amendment, must issue a notice of contract extension through the procurement system.

3. Any additional amendments to the terms and conditions in the standard procurement contracts that are not addressed in Clauses (1) and (2) of this Article shall be referred to the Central Procurement Unit for review, which in turn shall provide clear and acceptable justifications for the reasons requiring amendment of the standard terms and conditions.
4. In case of any amendments or changes to contracts, these must be documented in an annex signed by both parties to the contract.

Article (38)

Contract Renewal

The following controls must be observed when renewing contracts with the same supplier:

1. If there is a desire to renew the contract with the same supplier without changing the terms and conditions of the contract, the renewal period must not exceed the period specified in the Manual of Procurement Procedures in the Federal Government. The renewal must be documented in an annex with the same terms and conditions of the original contract and signed by both parties.
2. If there is a desire to renew the contract with the same supplier, with changes in the terms and conditions of the contract, the renewal period must not exceed the period specified in the Manual of Procurement Procedures in the Federal Government. The new terms and conditions must be documented in an annex to be signed by both parties.
3. When the renewal periods specified in the Manual of Procurement Procedures in the Federal Government are exhausted, and the Federal Agency wishes to purchase the goods or services stipulated within the scope of the expired contract, the Federal Agency must issue a procurement opportunity for competition through the procurement system and conduct an impartial and fair evaluation of the participating suppliers. Consideration must be given to developments in the market for that category of procurements and the added value offered to the Federal Agency by the participating suppliers.

4. If the award is made to the same supplier under the expired contract in accordance with Clause (3) of this Article, the Federal Agency must provide justification for awarding the contract to the same supplier and obtain the necessary approvals for the award, according to the terms and conditions specified in the Manual of Procurement Procedures in the Federal Government and the Powers Delegation Matrix.
5. If there is a continued need for the procurement under the expired contract, the Federal Agency may consider entering into a framework agreement with this supplier for the goods or services, in accordance with the framework agreement provisions outlined in the Manual of Procurement Procedures in the Federal Government, in coordination with the Central Procurement Unit.
6. Notwithstanding the provisions of this Article, the Central Procurement Unit may renew the Federal Procurement Catalogue or price agreements with the same supplier for a period or periods not exceeding the maximum renewal limit specified in the Manual of Procurement Procedures in the Federal Government, as deemed appropriate.
7. The Federal Agency may renew the price agreement, local catalogue, or specific contracts with the exclusive supplier for a period exceeding the maximum renewal limit specified in the Manual of Procurement Procedures in the Federal Government, based on the recommendation of the procurement organizational unit and in accordance with the Powers Delegation Matrix. This is if the Federal Agency has exceeded the maximum renewal limit, a procurement opportunity is reissued, and no other supplier, other than the previous contracted supplier, is available for such procurements.

Article (39)

Contract Suspension

Federal Agencies may decide to temporarily suspend a contract for a period deemed appropriate, based on a report from the procurement organizational unit that includes a recommendation for suspension due to the supplier's failure to meet their obligations, public interest considerations, natural disasters, or any other valid reasons justifying the suspension for a specific period, in accordance with the following controls and provisions:

1. If the Federal Agency decides to suspend the contract, it must send a notice to the supplier including the suspension period and the nature of reasons for the suspension. If the supplier is in breach or has failed to meet obligations, the notice must require the supplier to amend and remedy the obligations the supplier failed to meet within the period specified in the notice.
2. The Federal Agency may impose a penalty on the supplier for the period during which the supplier failed to meet their obligations, not exceeding (10%) ten percent of the contract value for each year. If the contract period is less than one year, the penalty shall be calculated as (10%) ten percent of the total contract value, without prejudice to other penalties stipulated in the contract and in accordance with the controls specified in the Manual of Procurement Procedures in the Federal Government. The Federal Agency's right to impose the penalty shall not be lapsed if the supplier amends and remedies the breaches during the period specified in the notice sent by the Federal entity.
3. The supplier shall not be entitled to any payments or compensation for the period of the contract suspension and may not claim an extension of the contract for a period equal to the suspension period.
4. The supplier shall be entitled to payments for procurements completed prior to the date of contract suspension.
5. Suspension of the contract shall not prevent the supplier from claiming any financial rights that are due prior to the date of the contract suspension.
6. If the supplier fails to remedy the breach within the period specified in the notice, the Federal Agency shall be entitled to take action as outlined in Paragraph (A) of Clause (1) of Article (40) of this Resolution.

Article (40)

Contract Termination

1. The Federal Agency may terminate the Contract in the following cases:
   a. If the supplier fails to fulfil its contractual obligations and does not rectify its status upon the contract suspension and the supplier is notified of the need to rectify the

status, the Federal agency shall be entitled to promptly terminate the contract, provided that a termination notice is issued to the supplier in accordance with the terms of the procurement contract without the need for a court judgment. In this case, the Federal agency also shall be entitled to confiscate and liquidate the performance bond or any equivalent guarantees.

b. Notwithstanding Paragraph (A) of Clause (1), if the supplier fails to fulfil its contractual obligations, the Federal agency shall be entitled to promptly terminate the contract without the need to suspend it in accordance with Article (39) of this Resolution, provided that a termination notice is issued to the supplier pursuant to provisions of the procurement contract. This applies to contracts that cannot be suspended or to essential procurements required for the continued operation of the contracting Federal agency, and without the need for a court judgment.

c. The Federal agency may terminate the contract unilaterally at any time for any reason deemed necessary for termination, in accordance with the conditions and terms set out in the Manual of Federal Government Procurement Procedures, provided that a termination notice is sent to the supplier in accordance with the terms of the procurement contract.

2. If the contract is terminated under any of the conditions mentioned in Paragraph (1) of this Article, the supplier's financial rights shall be confined to the payments due before the termination, and the supplier forfeits the right to claim any payments due after the termination date.
3. The Federal agency is entitled to claim compensation from the defaulting supplier for any damages caused by their breach and to confiscate and liquidate the performance bond or any equivalent guarantees.

Article (41)

Contract Revocation

1. The Federal Agency is entitled to revoke the contract promptly upon its sole discretion if it is proven that the supplier has violated any provisions of the law or this Resolution, or any

other applicable legislation in the State, or has engaged in any practices violating competition, including those mentioned in Article (51) of this Resolution. In this case, the Federal Agency is entitled to confiscate and liquidate the performance bond or any equivalent guarantees. The Federal Agency may also claim compensation from the supplier for any damages caused by the supplier's actions as specified in this Clause, and the supplier shall forfeit any payments owed under the contract.

2. The contracting Federal Agency, upon contract revocation, may demand the supplier to return any advance payments previously received against the contract payments and take any actions as stipulated in the procurement contract.

Article (42)

Contract Closure

1. The contract shall be closed as an action when all the following conditions are met:
   a. The period of the contract expires, or it is terminated in accordance with the provisions of this Resolution and the terms and conditions of the contract.
   b. The Federal Agency and the procurement Contract Manager have received the goods in accordance with the agreed specifications, and the receipt notice has been issued by the contracting Federal Agency.
   c. All contract requirements and scope of work have been completed, and all contractual obligations under the procurement contract have been fulfilled.
2. The Contract Manager must close the contract by verifying the completion of all receipt procedures of goods, payments, and any subsequent obligations of both parties. A closure notice must be issued to confirm the contract's completion, unless both parties agree to renew the contract period.

Article (43)

Subcontracting

Subcontracting shall be subject to the following conditions:

1. The contracting supplier must indicate in its proposal submitted to the Federal Agency that part of the contracted goods or services will be executed by a sub-supplier. The supplier must clearly and in detail specify in the proposal the portions of goods or services that will be performed by the sub-supplier. The supplier must provide all required information about the sub-supplier at any time, explain the reasons for subcontracting, and state the sub-supplier's share of the total procurement scope of the tender or bid.
2. The contracting supplier must obtain prior written approval from the Federal Agency before engaging in any subcontracting. If the supplier fails to obtain such approval and proceeds with subcontracting, the Federal Agency shall be entitled to promptly terminate the contract in accordance with Article (40) of this Resolution.
3. Contracts concluded between the contracting supplier and the sub-supplier must clearly and in detail define the quantities and works assigned to each party, as well as the prices of the relevant contracts. Such contracts must comply with the requirements, conditions, and specifications of the tender or bid. The main supplier shall provide the Federal Agency with electronic copies of these signed contracts. The Federal Agency reserves the right to verify these contracts and request the original counterparts for inspection when necessary.
4. The contracting supplier shall remain liable to the Federal Agency for its obligations and those of the sub-supplier. The supplier shall be accountable for the goods or services under the subcontract in accordance with the terms and specifications stated in the procurement contract with the Federal Agency. The approval granted by the Federal Agency for subcontracting does not exempt the contracting supplier of its liabilities and obligations under the contract concluded with the requesting Federal Agency.
5. The sub-supplier may not assign any portion of the tasks the sub-supplier contracted with the supplier to perform to a third supplier.
6. Before commencing the works, the contracting supplier, upon obtaining the Federal Agency's approval for subcontracting, shall submit a commitment through the procurement system. This commitment must include its agreement to allow the Federal Agency to pay the sub-supplier directly from the amounts due to the contracted supplier

if the latter fails or delays payment to the sub-supplier for the goods or services executed by the sub-supplier. This shall be subject to the disclosure made to the Federal Agency in the supplier's proposal and the contractual terms and conditions specified in the procurement contract.

7. Any amounts paid by the Federal Agency to the sub-supplier under the provisions of this Article shall be deducted from the contract price payable to the contracting supplier.

Article (44)

Direct Payment in Subcontracting

The Federal Agency may, upon its sole discretion and by way of exception, make direct payments to sub-suppliers, provided that all the following conditions are met:

1. The Federal Agency has issued prior written approval for subcontracting in accordance with the provisions of the Law and this Resolution.
2. The proposal and the contract concluded between the Federal Agency and the contracting supplier must indicate the goods or services to be performed by the sub-supplier, including prices, associated costs, and all relevant terms and conditions in a clear way, without any ambiguity between the obligations of the contracting supplier and the sub-supplier.
3. The sub-supplier must be registered and accepted in the supplier registry.
4. The sub-supplier must have completed the execution of procurements in compliance with its obligations under the contract with the Federal Agency and the contracting supplier. The requesting Federal Agency must confirm receipt and acceptance of the procurements subject to direct payments.
5. The sub-supplier must submit a request for direct payment to the Federal Agency, specifying the reasons that justify the direct payment.
6. The contracting supplier must provide a copy of the subcontract agreement between the contracting supplier and the sub-supplier to the Federal Agency, in accordance with Article (43) of this Resolution, along with any other documents requested by the Federal Agency to verify the subcontract.

7. The Federal Agency must inform the contracting supplier of any direct payment transaction made to the sub-supplier.

Article (45)

Suppliers Alliance

1. The Federal Agency may accept proposals from supplier alliances for procurements that require collaboration between two or more suppliers due to the nature or scale of the procurements, provided that the Federal Agency specifies any relevant requirements or provisions within the tender documents and that the suppliers forming the alliance are registered and accepted in the supplier registry.
2. Suppliers in the alliance shall submit the alliance agreement concluded among themselves and any other documents required by the requesting Federal Agency, demonstrating their capability to execute the procurement contract and their joint liability to fulfil their obligations towards the requesting Federal Agency.
3. The allied suppliers shall be jointly and severally liable for fulfilling the contractual obligations under the procurement contract. The alliance agreement shall designate a registered and accepted supplier as the alliance leader to represent the alliance before the Federal Agency, provided that all suppliers in the alliance who are registered and accepted must be parties to the procurement contract with the Federal Agency.
4. The Federal Agency reserves the right to hold any of the allied suppliers accountable in cases of negligence, default, or error.
5. The Federal Agency shall pay the allied suppliers for the procurements supplied in accordance with the terms and conditions of the procurement contract concluded with the Federal Agency.
6. If a dispute arises among the allied suppliers regarding the performance of contractual obligations under the procurement contract, which results in a breach or failure by any of them to meet their obligations, all allied suppliers shall be collectively liable to compensate the Federal Agency for any damages incurred.

Article (46)

Grievance Committee

1. A Grievances Committee shall be established in each Federal Agency by a resolution issued by the head of the Federal Agency. The resolution shall specify the number of committee members, the appointment of the chairman, vice-chairman of the committee, the decision-making mechanism, and the process for addressing grievances submitted to the committee in alignment with the grievance procedures defined in this Resolution, including the periods for suppliers to submit their grievances.
2. The Grievances Committee must ensure impartiality, independence, and transparency when reviewing grievances and making decisions in this respect, in compliance with the provisions of the Law and this Resolution.

Article (47)

Competences of the Grievances Committee

Each supplier has the right to file a grievance regarding the decisions or actions taken by the Federal Agency. Such grievances shall be submitted to the Grievances Committee established within the respective Federal Agency. The Grievances Committee shall be responsible for considering the following:

1. Grievances from suppliers relevant to unfair procurement practices, including award decisions or any decision or action taken by the Federal Agency prior to the award decision that involves bias, favouritism, or violations in the evaluation of procurement bids or tenders, or in the award criteria, which may harm certain suppliers.
2. Grievances from contracting suppliers relevant to requests by the Federal Agency to amend contract terms or conditions after the contract's conclusion or to address an extraordinary event or circumstance preventing the supplier from fully or partially fulfilling the contract, or requests for contract extensions for service completion due to emergency circumstances.
3. Grievances submitted by suppliers regarding penalties imposed on them in accordance with the provisions of this Resolution.

Article (48)

Grievance Procedures

1. Supplier may file a grievance against a decision or action to the Grievances Committee of the Federal Agency within five (5) business days from the date of the decision or action in question, provided that the grievance must be substantiated and accompanied by all supporting documents.
2. The Grievances Committee of the Federal Agency shall consider the grievance to assess its validity and seriousness.
3. The Grievances Committee may assign an employee of the Federal Agency who was not involved in any stage of the procurement process relevant to the procurement opportunity under grievance. If necessary, the Committee may also assign an external specialist to verify the grievance's validity by reviewing all procurement procedures, minutes, records, tender documents, and other relevant materials, and seek clarifications from members of the Procurement Committee, the procurement organizational unit, and other relevant organizational units within the Federal Agency.
4. The Grievances Committee of the Federal Agency shall issue a decision to either reject or accept the grievance within five (5) business days from the date of receiving the grievance. The supplier who filed the grievance shall be informed of the decision within five (5) business days from its issuance. The decision on the grievance shall be final. If the committee does not respond within the specified period, the grievance shall be deemed rejected.
5. If the grievance is accepted, the Grievances Committee of the Federal Agency shall recommend corrective measures, if any, such as reviewing procurement decisions, re-evaluating the procurement opportunity under grievance, resolving the grievance amicably, or other actions consistent with the Law, this Resolution, and the Manual of Federal Government Procurement Procedures.

Article (49)

Decisions of the Grievances Committee

1. The Grievances Committee shall issue its decisions on grievances relevant to actions or decisions made prior to the issuance of the award decision within ten (10) business days from the date of receiving the grievance. The decisions of the Grievances Committee shall be final and unappealable.
2. The Grievances Committee shall issue its decisions on grievances filed by contracting suppliers concerning fines or penalties imposed under this Resolution within sixty (60) business days from the date of receiving the grievance. The decisions of the Grievances Committee shall be final. Receiving no response within the specified period shall be deemed a rejection of the grievance.

Article (50)

Cases of Non-Compliance

1. Federal Agencies shall adhere to the provisions of the Law and this Resolution. A Federal Agency shall be deemed violating in case any of the following cases occurs:
   a. Violation of any provision stipulated in the Law, this Resolution, or the Manual of Federal Government Procurement Procedures.
   b. Entering into procurement contracts with suppliers that are not registered or accepted in the suppliers' registry in accordance with the provisions of this Resolution.
   c. Failing to consider data protection and privacy measures as mandated by applicable federal legislation.
   d. Discrimination among competing suppliers in tenders or bids.
2. Suppliers shall comply with the provisions of the Law and this Resolution. A supplier shall be deemed in breach if any of the following non-compliant cases occurs:
   a. Participating in a procurement process without following the approved registration and acceptance procedures or the procedures specified in this Resolution and the Manual of Federal Government Procurement Procedures.
   b. Non-compliance of the supplier with applicable federal legislations.

c. The supplier's failure to inform the Federal Agency of any risks that may hinder or affect the fulfilment of their contractual obligations.
d. The supplier commits any action that constitutes corruption or bribery, or any criminal act punishable under the applicable legislations in the UAE, as determined by the Federal Agency.
e. Submitting inaccurate, fraudulent reports, information, data, or documents with the aim to gain a benefit or to harm others.
f. Violation of any provisions stipulated in the Law, this Resolution, or the Manual of Federal Government Procurement Procedures.

Article (51)

Anti-Competitive Practices and the Resulting Penalties

1. All suppliers shall be prohibited from engaging in any anti-competitive practices, alliances, or agreements, whether explicit or implicit, that undermine, limit, or obstruct competition to benefit the supplier or harm other suppliers, or any practices that affect the integrity of procurement processes, specifically the following:
   a. Restricting procurement prices directly or indirectly by artificially increasing, decreasing, or fixing prices contrary to market rates to put undue pressure on Federal Agencies, which adversely affects competition.
   b. Collusion in bids, tenders, or proposals with other suppliers or sub-suppliers.
   c. Limiting the production of goods or provision of services. This includes restricting manufacturing, distribution, or marketing processes, in a way that impacts procurement prices.
   d. Taking actions to obstruct other suppliers from participating in tenders or bids with the aim to exclude them.
   e. Preventing suppliers from submitting proposals for tenders.
   f. Disclosing any confidential information that undermines competition.

g. Forcing Federal Agencies to deal with specific suppliers or local agents in order to increase profit margins or evade core obligations and warranties associated with the contracting supplier or the parent companies of the local supplier.
h. Failing to adhere to the specified procedures or communication channels relevant to the procurement opportunity.

2. Federal Agencies shall report any violations committed by suppliers that fall under the violations outlined in Articles (50) and (51) of this Resolution to the Central Procurement Unit. They shall provide all documents proving the supplier's violation, enabling the Central Procurement Unit to consider the violation and take necessary actions or recommend appropriate measures to the Federal Agency that contracted with the supplier.
3. The Federal Agency or the Central Procurement Unit may, if one of them is the contracting party with the violating supplier, impose the following administrative penalties on the supplier for any prohibited practices specified in Clause (1) of this Article:
   a. A financial penalty to be determined by the Federal Agency, not exceeding 10% of the annual total sales of the products or revenues from services within the contract under violation for one year. For contracts shorter than a year, 10% of the total contract value shall apply.
   b. Blacklisting the supplier involved in prohibited practices for a minimum of five (5) years. During the blacklisting period, the supplier shall be banned from participating in any tenders or bids issued by Federal Agencies, upon coordination with the Ministry.
4. Supplier may appeal the administrative penalties outlined in paragraphs (A) and (B) of Clause (3) of this Article to the Grievances Committee of the relevant Federal Agency.

Article (52)

Applicable Law and Dispute Resolution

1. Any dispute, conflict, or claim arising from or relating to procurement contracts, including their interpretation, revocation, or termination, shall be subject to the laws applicable in the State and shall be heard by the competent Federal Courts in the State.
2. Procurement contracts executed outside the State shall be exempt from the provision in Clause (1) of this Article if the head of the relevant Federal Agency approves the application of the laws of the State where the contract is performed, pursuant to Clause (1) of Article (37) of the Law.
3. Arbitration may be agreed upon as a means of dispute resolution with suppliers. Agreement to arbitration outside the State or putting any dispute relevant to the contract or its associated procedures to non-applicable laws in the State is strictly prohibited. Any provision contravening this prohibition shall be deemed null and void.
4. Notwithstanding the prohibition against arbitration outside the State, Federal Agencies may resort to arbitration outside the State as a dispute resolution method if deemed appropriate.
5. In all cases, the approval of the Cabinet shall be required upon including an arbitration clause as a means of dispute resolution or seeking arbitration outside the State. Justifications for including this clause must be provided.
6. Any dispute that is within the competences of the Grievances Committee, which relate to procurement contracts, shall not be considered unless first presented to the Grievances Committee in accordance with the procedures outlined in this Resolution.

Article (53)

Final Provisions

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

2. The Ministry shall be the competent authority for issuing clarifications and guidelines concerning the application of this Resolution and setting the templates and manuals required for its implementation.

Article (54)

Repeals

1. Cabinet Resolution No. (4) of 2019 on Procurement Regulation and Storehouse Management in Federal Government shall be repealed.
2. Cabinet Resolution No. (1/1w) of 2022 regarding the Endorsement of the Federal Government Digital Procurement Policy shall remain in effect to the extent that it does not conflict with the provisions of this Resolution until the Minister issues a resolution approving the Manual of Federal Government Procurement Procedures.

Article (55)

Resolution Publication and Entry into Force

This Resolution shall be published in the Official newspaper and shall implement after six (6) months of its publication date.

Mohammed Bin Rashid Al Maktoum

Prime Minister

Issued by Us:
On: 02 Jumada al-Awwal 1446 H
Corresponding to: November 04, 2024