Guidance Issued by the DIFC Registrar of Companies ("Registrar")
in respect of UAE Federal Cabinet Resolution No. 56 of 2024
(the "Telemarketing Regulations")

1. Scope & Authority

(a) The Telemarketing Regulations apply to all commercial companies, branches and other persons established or registered in the UAE (each a "Registered Person") that market products or services by way of Telemarketing, including Registered Persons in free zones and financial free zones, such as the DIFC. Reference to a Registered Person, also includes representatives acting on its behalf, irrespective of whether those representatives are based in the UAE or elsewhere.

(b) The definition of "Telemarketing", for purposes of the Telemarketing Regulations, includes:

(i) phones calls;

(ii) text or short message service (SMS);

(iii) marketing messages through social media applications,

received from a Registered Person (whether from a landline, mobile number or an automated communications system) to market, advertise or promote products or services of the Registered Person or that of a third party.

(c) For the avoidance of any doubt, the Telemarketing Regulations apply in the DIFC in addition to (and not in replacement of) the requirements of:

(i) the DIFC Data Protection Law, Law no. 5 of 2020 (the "Data Protection Law") and, more specifically in the context of this topic, Regulation 9 of the DIFC Data Protection Regulations ("Regulation 9") in relation to what is defined there as "Digital Communications and Services" involving electronic communications with the use of behavioural advertising; and

(ii) the Operating Law any other relevant DIFC Law or Regulations.

(d) Any person who is the recipient of Telemarketing (a "Consumer") from a Registered Person operating in or from the DIFC, irrespective of where that person is located in the UAE, may rely on this Guidance and submit Complaints with the Registrar pursuant to the provisions of Paragraph 5 below.

(e) This guidance is issued by the DIFC Registrar of Companies ("Registrar") pursuant to the provisions of Article 7(3)(a)(iii) of the DIFC Operating Law, Law no. 7 of 2018 (the "Operating Law"), and in the Registrar's capacity as the competent authority in the DIFC for purposes of supervising and enforcing the requirements of the Telemarketing Regulations in the DIFC, as authorised and provided for in the Telemarketing Regulations.

2. Objective

The objectives of the Telemarketing Regulations are to:

(a) organise the marketing of products or services via Telemarketing in the UAE;

(b) ensure that Registered Persons comply with the requirements in the Telemarketing Regulations; and

(c) reduce unwanted Telemarketing in the UAE.

3. Obligations

A Registered Person established, registered, continued and/or operating in the DIFC that wish to engage in the activity Telemarketing in or from the DIFC must:

(a) obtain prior approval from the Registrar to conduct the activity of Telemarketing in or from the DIFC, as part of the approved activities submitted through DIFC Portal under its DIFC commercial license;

(b) sign a code of professional conduct in the manner and form prescribed by the Registrar, or any relevant federal or local government agency (each a "Competent Authority");

(c) provide comprehensive training to individuals employed or contracted by the Registered Person to do Telemarketing and keep records of such training on:

(i) the requirements of the Telemarketing Regulations and similar obligations under Regulation 9;

(ii) professional ethics in conducting Telemarketing; and

(iii) the basic principles of the Do Not Call Register ("DNCR") supervised by the Telecommunications and Digital Government Regulatory Authority ("TDRA");

(d) exclusively use UAE phone numbers issued by telecommunications providers licensed in UAE that are registered to that Registered Person under its commercial license for Telemarketing activities;

(e) establish a communication channel for consumers that expressly indicated their interest in receiving marketing information from them ("Interested Consumers"), and limit ongoing marketing communication to such Interested Consumers only;

[Guidance Note: Please also refer to Article 12 of the Data Protection Law dealing with consent that is also relevant in this context and related Guidance, and which requires that any consent given by Interested Consumers to receive marketing material from a Registered Person must be freely given by a clear affirmative act that shows an unambiguous indication of consent.]

(f) maintain records of all Telemarketing activity, including phone calls, and submit reports to the relevant Competent Authority in a manner and form prescribed for this purpose by the Competent Authority, and to keep such records for a period of at least six (6) years;

(g) in the case of marketing phone calls:

(i) comply with the specified times permitted for making such phone calls, which are limited to between 9.00 am to 6.00 pm each day;

(ii) record them and inform consumers thereof at the beginning of the call;

(iii) the Registered Person must be identified and the purpose of the call must be stated at the beginning of the call; and

(iv) the consumer must be asked whether they want to continue with the call before continuing with any marketing, advertising or promotion;

(h) disclose the source of obtaining phone numbers or any other data used in their Telemarketing activities, if so, requested by any Competent Authority; and

(i) ensure that automated communications systems used for marketing, advertising and promoting products or services comply with the Telemarketing Regulations.

4. Prohibited actions

Companies are not allowed to:

(a) make marketing calls to consumers listed on the DNCR;

[*Guidance Note 1: Telemarketers are prohibited from making calls to consumers on the DNCR regardless of whether they have obtained any prior consent from that consumer.*]

[Guidance Note 2: Registered Persons can check numbers listed under the DNCR by logging in to the Business Online Portal with their telecommunications provider and by navigating under the 'Settings' Tab. Access to the DNCR is free of charge.]

(b) use any deceptive practices or undue pressure tactics with consumers;

(c) call a consumer back once the consumer rejected a product or service;

(d) call a consumer more than once a day and twice a week if the call goes unanswered; and

(e) disclose a consumer's personal data without their consent (see the Guidance Note under Paragraph 3(e) above as to what "consent" means in the DIFC pursuant to the requirements of the Data Protection Law).

5. Consumer Protection

a) Consumers have the right to file a complaint with the Registrar if a Registered Person based in the DIFC acts in breach of the Telemarketing Regulations (each a "Complaint").

b) Complaints can be submitted to the Registrar by sending an email to roccompliance.info@difc.ae

c) The Registrar in dealing with any Complaints has the following powers pursuant to the Telemarketing Regulations:

(i) to determine the manner in which a Complaint will be dealt with in respect of Registered Persons in the DIFC;

(ii) to investigate and review information in connection with a Complaint; and

(iii) to coordinate and cooperate with the UAE Ministry of Economy and/or the Telecommunications and Digital Government Regulatory Authority in respect of the Complaint, each in accordance with their jurisdiction in the matter;

(iv) the right to provide information, data and statistics with any Competent Authorities in the UAE.

6. Penalties Under Cabinet Resolution No. 57 of 2024

(a) The Registrar may impose the penalties with respect to any violations of the Telemarketing Regulations by Registered Persons in the DIFC in the manner prescribed by applicable legislation, which includes:

(i) a warning;

(ii) an administrative fine according to Cabinet Resolution No. 57 of 2024;

(iii) total or partial suspension of the Registered Person's activities for a period not less than seven (7) days and not exceeding ninety (90) days; and

(iv) cancellation of the Registered Person's license and deletion from the DIFC's commercial register.

(b) The steps the Registrar may impose in accordance with Paragraph 6(a) above is in addition to any other steps that may be taken by any other Competent Authority under the Telemarketing Regulations, which include (without limitation) suspending or terminating a Registered Person's telephone/ internet communication lines and cancelling any number/s assigned to the Registered Person.

(c) A Registered Person in the DIFC may file an objection against any penalty issued by the Registrar pursuant to Paragraph 6(a) hereof within fifteen (15) days of the date thereof, and the Registrar shall deal with any such objection within a period of thirty (30) days in a manner it deems fit.

[Guidance Note: The Registrar will apply, as much as it is relevant to the circumstances, the Decision Making Procedures set out in the Operating Regulations 2018 in this regard.]