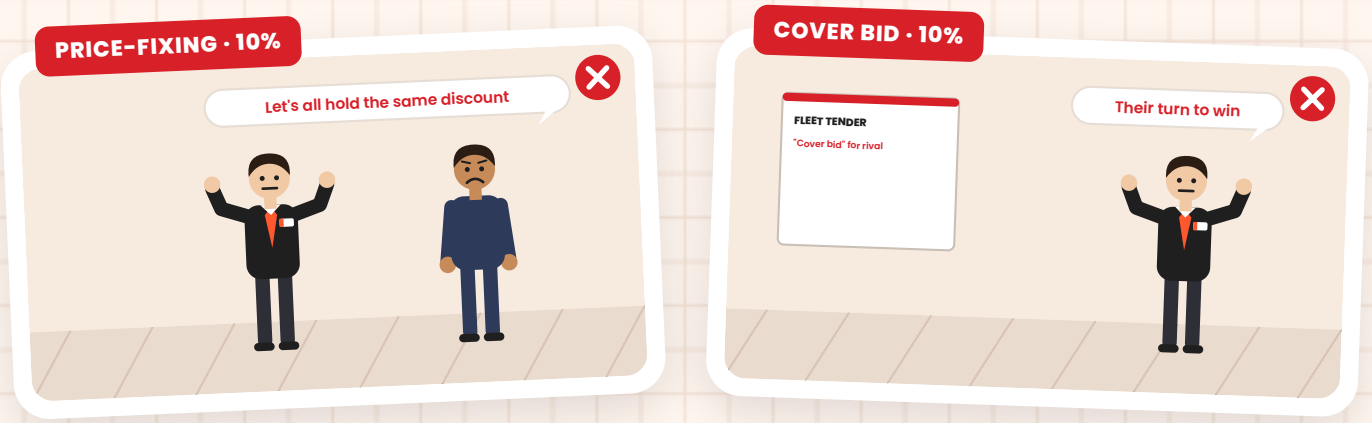
• 10% OF ANNUAL UAE SALES Pricing, territories, tenders, parts supply & acquisitions

Competition Law Compliance Guidebook for Automotive Companies

Price-fixing, market sharing, bid rigging, dominance and merger control: what the Ministry checks under the 2023 law and the 2026 regulations, **and why a chat group with rivals can cost 10% of sales.**



10%
of annual UAE sales: maximum fine for prohibited agreements.

3–6 months
possible **closure** of the establishment.

Apr 2026
executive regulations issued.

6 standards | 14 checkpoints | FDL 36/2023 · CD 59/2026 | Right way / wrong way | Ideal fix time

2023 New Competition Law → **Apr 2026** Executive regulations → **Now** Enforcement stepping up → **The rules now have teeth.**

WHY THIS GUIDEBOOK EXISTS

Competitors are not partners.

The **2023 Competition Law** bans price-fixing, market sharing, bid rigging and abuse of dominance. With the **April 2026 executive regulations**, the Ministry has a full framework to enforce it: fines up to **10% of annual UAE sales**, closure and publication.

This guidebook covers the 6 competition standards for UAE dealers and agents.

WHERE COMPETITION RISK SITS

Prices
No fixing
CM-01

Territory
No sharing
CM-02

Tenders
No rigging
CM-03

Parts supply
No abuse
CM-04

Meetings
No exchange
CM-05

Deals
Notify first
CM-06

WHO ENFORCES IT

MoET
Competition department
Investigates and fines

Courts
Federal courts
Closure and publication

Emirate authorities
Sector regulators
Coordination under the 2026 rules

Competitors
Complaints
Often trigger investigations

WHO IT'S FOR

Owners & MDs
Understand turnover-based fines.

Sales, fleet & parts
Know what can't be discussed.

Legal & auditors
Test meetings, tenders and deals.

FINED ON SALES, CLOSED, AND NAMED

One agreement with a rival. 10% of UAE sales.

Anti-competitive agreements are fined from **AED 100,000 up to 10% of annual UAE sales**. Courts can also close the site for up to six months and publish the judgment.

THE PENALTY LADDER

LEVEL 1
AED 100K
Minimum fine for a prohibited agreement.

LEVEL 2
AED 500K–5M
Failing to notify a deal (fixed amount).

LEVEL 3
10% sales
Maximum for cartels and abuse.

LEVEL 4
Closure
3–6 months, and publication.

REAL CASES FROM US AUTOMOTIVE BUSINESSES

WHO	RESULT	WHAT HAPPENED
Cabinet Decision 59/2026 Apr 2026	**New rules**	Executive regulations for merger control and conduct enforcement.
Prohibited agreements FDL 36/2023	**10%** of UAE sales	Minimum AED 100,000.
Merger notification FDL 36/2023	**2–10%** or AED 500K–5M	For closing a notifiable deal without clearance.

AED 1BN SALES
AED 100M
10% of annual UAE sales.

CLOSURE
6 months
Establishment closed.

AND THEN
Published
The judgment is **made public**.

HOW TO USE THIS GUIDE

One page per standard. Compete, don't coordinate.

1. **Header**: code, area, owner and the maximum penalty
2. **The law**: which regulator and which regulation
3. **The cost**: fine, what else can happen and a real case
4. **Right / wrong**: illustrated pass and fail, plus how to audit

THE 6 STANDARDS

CM-01	No Price-Fixing Between Dealers	Art. 5	CRITICAL	10% of UAE sales	Immediate	5
CM-02	No Market Sharing	Art. 5	CRITICAL	10% of UAE sales	Immediate	6
CM-03	No Bid Rigging	Art. 5	CRITICAL	10% of UAE sales	Immediate	7
CM-04	No Abuse of Dominance	Art. 6	CRITICAL	10% of UAE sales	30 days	8
CM-05	No Sensitive Information Exchange	Art. 5	CRITICAL	10% of UAE sales	30 days	9
CM-06	Deals Notified Before Closing	Art. 11	CRITICAL	AED 500K–5M	30 days	10

IDEAL FIX TIME · COUNTED FROM AUDIT SUBMISSION

Immediate	Stop now · serious harm or clear breach	3 standards
30 days	Plan and close within 1 month · policies and systems	3 standards

SCORING EACH CHECKPOINT

PASS
Every criterion met at the time of audit, with evidence captured.

FAIL
Any criterion not met at the time of audit. Record what you saw and who owns the fix.

N/A
Only where "Applies when" rules it out. Record why.

Note. Some exemptions and thresholds apply under the 2026 regulations. Take legal advice on specific agreements.

CM-01 COMPETITION · MOET · STANDARD 01 OF 06

No Price-Fixing Between Dealers

Area **Sales · Aftersales**

Person in charge **Managing Director · Sales Director**

Regulator **MoET**

MAXIMUM PENALTY

10%

of annual UAE sales · minimum AED 100,000

Plus **closure for 3–6 months** and published judgment

• CRITICAL

THE LAW

FDL 36/2023

Federal Decree-Law No. 36 of 2023 Regulating Competition · **Cabinet Decision No. 59 of 2026** (Executive Regulations) · **FDL 36/2023** prohibited agreements: fixing prices, discounts and terms

WHAT WE CHECK

Dealers never agree with competitors on car prices, discounts, trade-in values, service rates or fees.

CHECKPOINTS IN THE AUDIT

- **Q1** Do staff know not to agree prices or discounts with competitors?
- **Q2** Are there no chat groups with rival dealers discussing prices?
- **Q3** Are contacts with competitors logged?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

Anti-competitive agreements and abuse of dominance are fined from **AED 100,000 up to 10% of annual UAE sales** of the products concerned.

BEYOND THE FINE

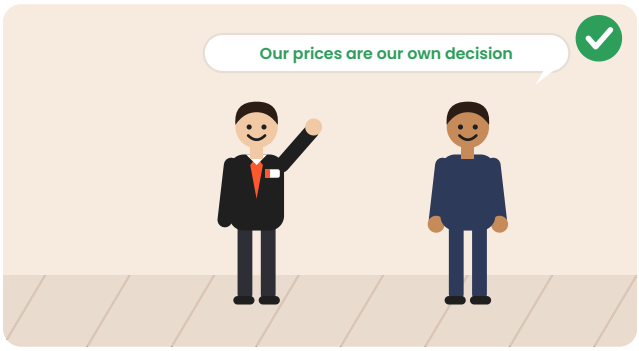
Courts can order the establishment **closed for 3–6 months** and the judgment **published**. Detailed executive regulations were issued in April 2026, so enforcement is stepping up.

REAL ENFORCEMENT

AED 100K

minimum fine for an anti-competitive agreement, rising to **10% of annual UAE sales**.

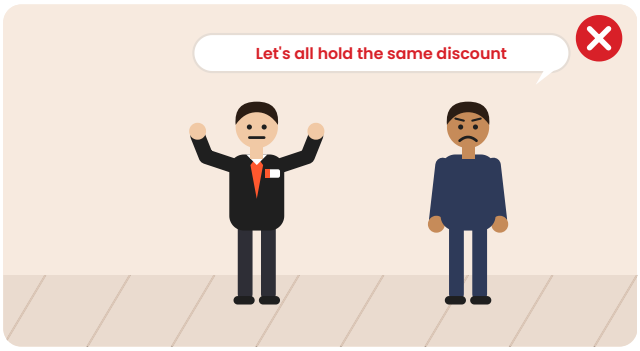
✔ RIGHT WAY



Prices set independently.

✖ WRONG WAY

10% UAE SALES



Rival dealers agreeing a common discount.

PURPOSE

Price-fixing is the core prohibited agreement under UAE competition law.

FIX IT WITHIN

◷ Immediate

AUDIT CRITERIA · PASS WHEN

- Independent pricing
- No price talk with rivals
- Contacts logged

IDEAL WAY OF AUDITING

1. Ask managers about rival contact
2. Review pricing decisions

Evidence: Training + contact log.

WORST CASE Up to **10% of annual UAE sales**, closure for up to 6 months and a **published** judgment.

CM-02 COMPETITION · MOET · STANDARD 02 OF 06

No Market Sharing

Area **Fleet · Sales** | Person in charge **Fleet Manager** | Regulator **MoET**

MAXIMUM PENALTY

10%

of annual UAE sales · minimum AED 100,000

Plus **closure for 3–6 months** and published judgment

• CRITICAL

THE LAW

FDL 36/2023

Federal Decree-Law No. 36 of 2023 Regulating Competition · **Cabinet Decision No. 59 of 2026** (Executive Regulations) · **FDL 36/2023** prohibited agreements: sharing markets, customers or territories

WHAT WE CHECK

Dealers never agree with competitors to split emirates, customers or fleet accounts.

CHECKPOINTS IN THE AUDIT

- **Q1** Are there no agreements with competitors to stay out of areas or customers?
- **Q2** Are fleet and government bids prepared independently?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

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BEYOND THE FINE

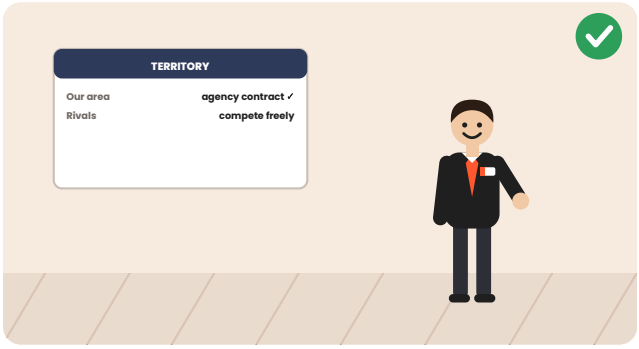
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REAL ENFORCEMENT

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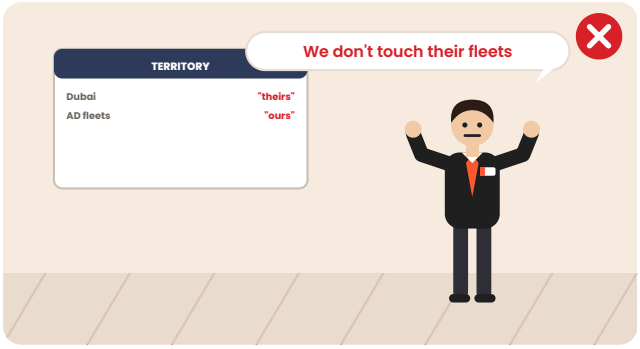
✔ RIGHT WAY



Territory defined by the agency contract only.

✖ WRONG WAY

10% UAE SALES



Informal carve-up of fleet customers.

PURPOSE

Market sharing is a hardcore restriction.

FIX IT WITHIN

Immediate

AUDIT CRITERIA · PASS WHEN

- No carve-ups
- Independent bids

IDEAL WAY OF AUDITING

1. Review fleet bid history
2. Interview fleet managers

Evidence: Bid records.

WORST CASE Up to **10% of annual UAE sales**.

CM-03 COMPETITION · MOET · STANDARD 03 OF 06

No Bid Rigging

Area **Fleet** | Person in charge **Fleet Manager** | Regulator **MoET**

MAXIMUM PENALTY

10%

of annual UAE sales · minimum AED 100,000

Plus **closure for 3–6 months** and published judgment

• CRITICAL

THE LAW

FDL 36/2023

Federal Decree-Law No. 36 of 2023 Regulating Competition · **Cabinet Decision No. 59 of 2026** (Executive Regulations) · **FDL 36/2023** prohibited agreements: collusive tendering

WHAT WE CHECK

Government and corporate fleet tenders are prepared without contact with other bidders.

CHECKPOINTS IN THE AUDIT

- Q1 Are tenders prepared independently?
- Q2 Is cover pricing banned?
- Q3 Are bid decisions documented?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

Anti-competitive agreements and abuse of dominance are fined from **AED 100,000 up to 10% of annual UAE sales** of the products concerned.

BEYOND THE FINE

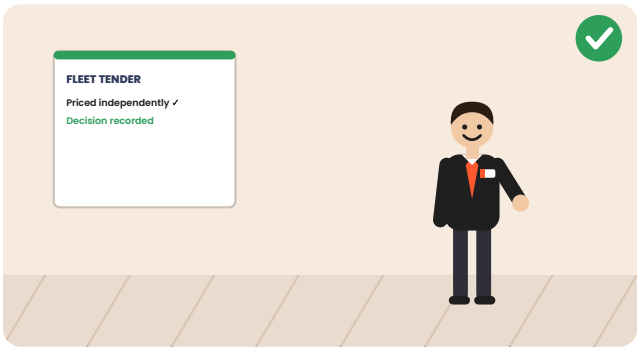
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REAL ENFORCEMENT

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minimum fine for an anti-competitive agreement, rising to **10% of annual UAE sales**.

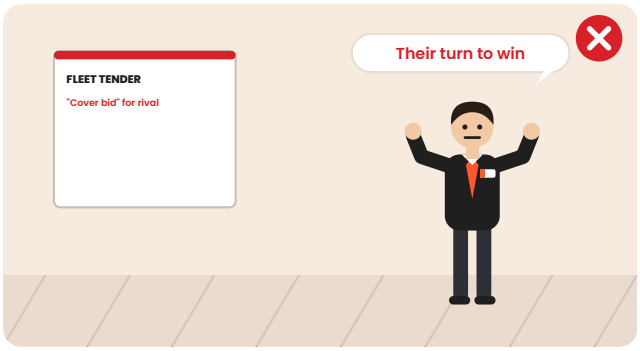
✔ RIGHT WAY



Independent bid with a record.

✖ WRONG WAY

10% UAE SALES



Cover bid agreed with a rival.

PURPOSE

Government fleet tenders are high-value and closely watched.

FIX IT WITHIN

Immediate

AUDIT CRITERIA · PASS WHEN

- Independent bids
- No cover pricing
- Decision record

IDEAL WAY OF AUDITING

1. Review 5 recent tenders

Evidence: Tender files.

WORST CASE Up to **10% of sales**, and possible exclusion from government tenders.

CM-04 COMPETITION · MOET · STANDARD 04 OF 06

No Abuse of Dominance

Area **Parts · Aftersales** | Person in charge **Parts Director** | Regulator **MoET**

MAXIMUM PENALTY

10%

of annual UAE sales · minimum AED 100,000

Plus **closure for 3–6 months** and published judgment

• CRITICAL

THE LAW

FDL 36/2023

Federal Decree-Law No. 36 of 2023 Regulating Competition · **Cabinet Decision No. 59 of 2026** (Executive Regulations) · **FDL 36/2023** abuse of a dominant position

WHAT WE CHECK

Where an agent or group is dominant for a brand's parts or service, it doesn't refuse supply, discriminate on price or impose unfair conditions on independent workshops or dealers.

CHECKPOINTS IN THE AUDIT

- **Q1** Are parts supplied to independent workshops on fair, non-discriminatory terms?
- **Q2** Are exclusivity and tying conditions reviewed legally?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

Anti-competitive agreements and abuse of dominance are fined from **AED 100,000 up to 10% of annual UAE sales** of the products concerned.

BEYOND THE FINE

Courts can order the establishment **closed for 3–6 months** and the judgment **published**. Detailed executive regulations were issued in April 2026, so enforcement is stepping up.

REAL ENFORCEMENT

Apr 2026

Cabinet Decision 59/2026 issued the long-awaited **executive regulations**, giving the Ministry a full enforcement framework.

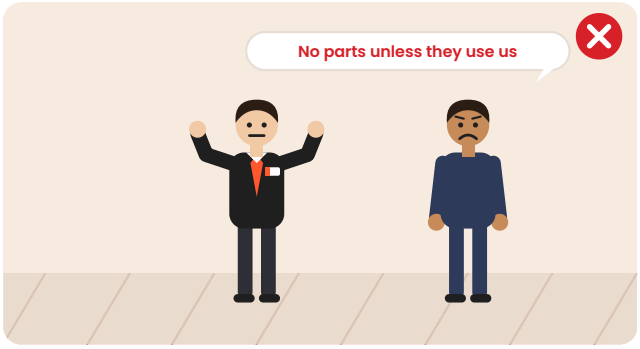
✔ RIGHT WAY



Fair supply to independents.

✖ WRONG WAY

10% UAE SALES



Refusing parts to force customers back.

PURPOSE

Agents often hold a dominant position for their brand's parts.

FIX IT WITHIN

30 days

AUDIT CRITERIA · PASS WHEN

- Fair supply terms
- Legal review of exclusivity

IDEAL WAY OF AUDITING

1. Review parts supply policy
2. Check refusals

Evidence: Policy + refusal log.

WORST CASE Abuse of dominance: up to **10% of annual UAE sales**.

CM-05 COMPETITION · MOET · STANDARD 05 OF 06

No Sensitive Information Exchange

Area **Management** | Person in charge **Managing Director** | Regulator **MoET**

MAXIMUM PENALTY

10%

of annual UAE sales · minimum AED 100,000

Plus **closure for 3–6 months** and published judgment

• CRITICAL

THE LAW

FDL 36/2023

Federal Decree-Law No. 36 of 2023 Regulating Competition · **Cabinet Decision No. 59 of 2026** (Executive Regulations) · **FDL 36/2023** agreements and concerted practices

WHAT WE CHECK

At industry meetings and events, no one shares future prices, margins, stock or staff pay with competitors.

CHECKPOINTS IN THE AUDIT

Q1 Do meetings with competitors have agendas and minutes?

Q2 Are staff briefed to leave if prices come up?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

Anti-competitive agreements and abuse of dominance are fined from **AED 100,000 up to 10% of annual UAE sales** of the products concerned.

BEYOND THE FINE

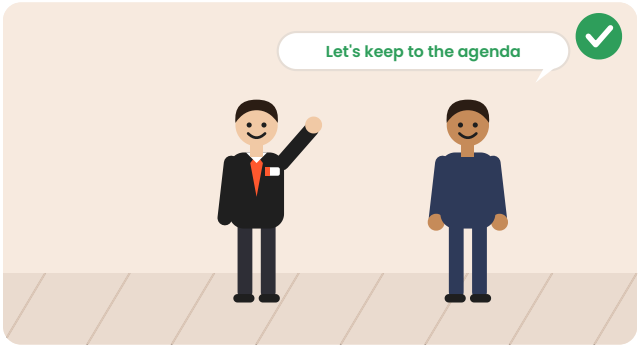
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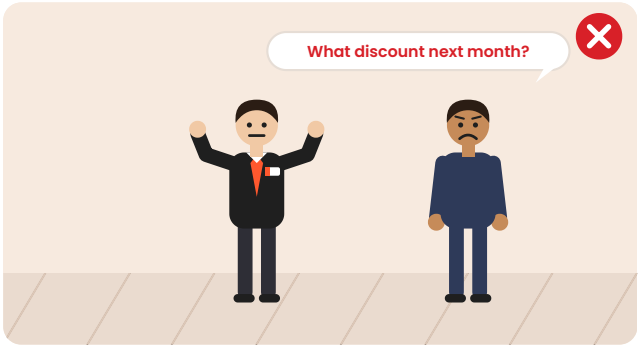
✔ RIGHT WAY



Agenda kept.

✖ WRONG WAY

10% UAE SALES



Future discounts swapped.

PURPOSE

Information exchange is how most cartels start.

FIX IT WITHIN

◷ 30 days

AUDIT CRITERIA · PASS WHEN

- Agendas and minutes
- Staff briefed

IDEAL WAY OF AUDITING

1 Review minutes

Evidence: Minutes.

WORST CASE Treated as a prohibited agreement: up to **10% of sales**.

CM-06 COMPETITION · MOET · STANDARD 06 OF 06

Deals Notified Before Closing

Area **Corporate** | Person in charge **CFO · Legal Counsel** | Regulator **MoET**

MAXIMUM PENALTY

5,000,000

or 2–10% of revenue for failing to notify

Minimum **AED 500,000**

• CRITICAL

THE LAW

FDL 36/2023

Federal Decree-Law No. 36 of 2023 Regulating Competition · **Cabinet Decision No. 59 of 2026** (Executive Regulations) · **FDL 36/2023** economic concentration notification · CD 59/2026

WHAT WE CHECK

Acquisitions of dealerships, agencies or workshops are checked against the notification thresholds and, if required, notified and cleared before completion.

CHECKPOINTS IN THE AUDIT

Q1 Are acquisitions checked against notification thresholds?

Q2 Are notifiable deals cleared before completion?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

Anti-competitive agreements and abuse of dominance are fined from **AED 100,000 up to 10% of annual UAE sales** of the products concerned.

BEYOND THE FINE

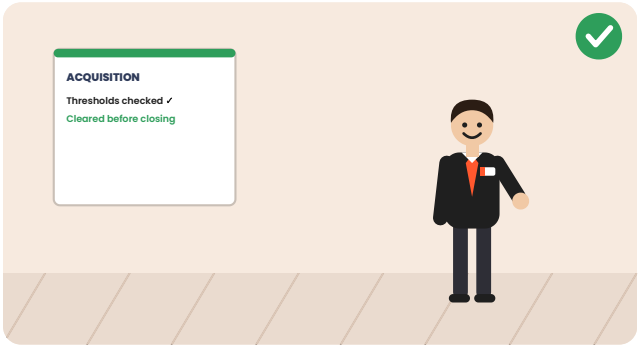
Courts can order the establishment **closed for 3–6 months** and the judgment **published**. Detailed executive regulations were issued in April 2026, so enforcement is stepping up.

REAL ENFORCEMENT

AED 5M

maximum fixed fine for failing to notify a deal, where turnover can't be set (otherwise **2–10% of revenue**).

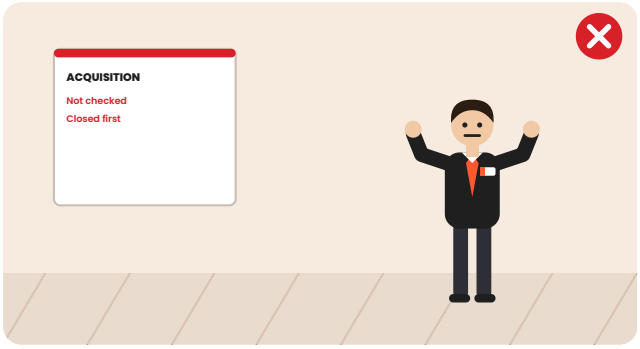
✔ RIGHT WAY



Deal cleared before closing.

✖ WRONG WAY

AED 5M



Deal closed without a check.

PURPOSE

The 2026 regulations formalised merger control, and dealer consolidation is common.

FIX IT WITHIN

30 days

AUDIT CRITERIA · PASS WHEN

- Thresholds checked
- Clearance before closing

IDEAL WAY OF AUDITING

1 Review recent deals

Evidence: Deal files.

WORST CASE **2–10% of revenue**, or **AED 500,000–5,000,000** where turnover can't be set.

STOP THE CONVERSATION BEFORE IT STARTS

Your 30-day competition action plan.

Today

- [ ] **CM-01** No Price-Fixing Between Dealers
  Immediate
- [ ] **CM-02** No Market Sharing
  Immediate
- [ ] **CM-03** No Bid Rigging
  Immediate

This week

Re-audit the site in 30 days.

This month

- [ ] **CM-04** No Abuse of Dominance
  30 days
- [ ] **CM-05** No Sensitive Information Exchange
  30 days
- [ ] **CM-06** Deals Notified Before Closing
  30 days

?/6 Count your passes. A single cartel fail can cost **10% of UAE sales** and a **closure**.

SOURCES

- Charles Russell Speechlys: Inside Cabinet Decision No. 59 of 2026 · charlesrussellspeechlys.com
- Gibson Dunn / White & Case: UAE competition executive regulations · gibsondunn.com
- Federal Decree-Law No. 36 of 2023 · uaelegislation.gov.ae

Disclaimer. For compliance-audit guidance only; not legal advice.

AUDIT SIGN-OFF

DEALERSHIP / SITE	AUDITOR	DATE	SCORE __ / 6

BRANCH / DEALER PRINCIPAL SIGNATURE	COMPLIANCE LEAD SIGNATURE