

FEDERAL LAW NO. (11) OF 2021

Regulation & Protection of Industrial Property Rights

The United Arab Emirates has enacted its most comprehensive overhaul of industrial property law — **Federal Law No. (11) of 2021** — replacing the 2002 regime with a modern, internationally aligned framework covering patents, utility models, industrial designs, integrated circuits, trade secrets, and licensing.

This presentation provides a detailed, plain-language guide to the Law's structure, scope, and substantive provisions — accessible to business owners, inventors, legal practitioners, and academics alike.

Key Details

- Enacted: **19 May 2021**
- In Force: **November 2021**
- Replaces: Federal Law No. (17) of 2002
- Authority: Ministry of Economy (MOE)
- Implemented by: Cabinet Resolution No. 6 of 2022



Background, Objectives & Scope

The rapid acceleration of technological innovation, globalisation of commerce, and the UAE's deepening integration into international IP treaties made a modern, unified statute essential. Federal Law No. 11 of 2021 was enacted to meet that need.

Objective 1: Protection

Protect industrial property and regulate registration, use, exploitation, and transfer — promoting knowledge and innovation across the UAE

Objective 2: Competitiveness

Enhance the UAE's standing in industrial property rights in line with the best international practices and treaty obligations

Geographic Scope

Applies across all of the UAE — **including all free zones** — removing any ambiguity about coverage in major commercial centres.

Security Screening

Defence-related inventions may be subject to confidentiality restrictions or prohibited from foreign filing, per Cabinet Resolution No. 6 of 2022.

📄 Rights obtained in the UAE are independent of those obtained elsewhere — each jurisdiction's protection stands separately. Nationals of countries with mutual recognition enjoy the same protections as UAE nationals.

What Is a Patent & Who Grants It?

A patent is a legal right granted by the State to an inventor conferring **exclusive commercial control** over an invention for a defined period. In exchange, the inventor publicly discloses the invention — contributing to the collective body of knowledge. Under the 2021 Law, the **Ministry of Economy (MOE)** grants patents through the **International Centre for Patent Registration (ICPR)**.

1

Novelty

The invention must not have been publicly disclosed anywhere in the world before the filing date. A 12-month grace period protects inventors who disclose before filing.

2

Inventive Step

The invention must not be obvious to a person skilled in the relevant technical field — it must result from a genuine innovative idea or innovative improvement.

3

Industrial Applicability

The invention must be capable of being manufactured or used in any sector of industry. Purely theoretical ideas without practical application do not qualify.

What Cannot Be Patented?

The Federal Law No. 11 of 2021 explicitly excludes certain subject matter from patent protection. These exclusions are grounded in public policy, ethics, and the legal nature of an "invention."

→ Plant & Animal Varieties

Purely biological processes for producing plant or animal varieties are excluded (microbiological processes and their products may qualify).

→ Medical & Surgical Methods

Methods of treating humans or animals — protecting the freedom of medical practitioners to exercise clinical judgement.

→ Abstract Ideas & Theories

Scientific theories, mathematical methods, abstract discoveries, computer programmes, mental acts, game rules, and business schemes in their abstract form.

→ Natural Materials

Even if isolated or purified — unless the method of purification or isolation is itself novel and meets the patent criteria.

→ Morality & Public Order

Any invention whose exploitation would violate public order, morality, or cause harm to human health or the environment.

→ Building Blocks of Knowledge

Principles and discoveries are freely available to all as foundational knowledge — they cannot be monopolised through a patent grant.

Utility Model Certificates (UMC)

Utility Model Certificates are a distinct, accessible form of protection for innovations that are **new and industrially applicable** but do not satisfy the higher inventive step threshold required for a full patent. Often called "petty patents" or "innovation patents," UMCs are especially valuable for SMEs, individual inventors, and those making practical improvements to existing technology.

Cabinet Resolution No. 6 of 2022 provides the full operational framework: filing requirements, documentation, conversion between UMC and patents, examination timelines, fees, renewal, and licence registration — ensuring the practical implementation of the system.

Protection Comparison

Protection Type	Term
Utility Model Certificate	10 years
Patent	Up to 20 years

Both require payment of **annual registration fees** to maintain protection. Failure to pay within the 9-month grace period results in automatic lapse with no reinstatement.

Ownership, Inventorship & Employment

General Rule

The right to a patent belongs to the **inventor or their legal successors**. Joint inventors share the right jointly. Where two independent parties make the same invention, priority goes to whoever **files first**.

Employee Protections

If an invention has economic value **much greater** than anticipated at hiring, the employee is entitled to additional court-determined compensation. Any agreement stripping compensation rights is **null and void**.

Employer Inventions

Where an invention is made in the course of employment — or falls within the employer's field using their resources — the patent right generally belongs to the **employer**, unless the contract provides otherwise.

Post-Employment Rule

Any patent application filed by a departing employee within **two years** of leaving is presumed to have been made during service — protecting employers from IP misappropriation.

The Patent Application Process

File Application

Submit names,
claims, drawings in
Arabic & English



Respond to Requisitions

Reply within 90 days
to avoid voidance



ICPR Examination

Check novelty,
inventive step,
applicability, unity



Grant & Publication

Patent granted and
published in bulletin

Applications must be filed with the MOE directly by the inventor, through a registered **Registration Agent**, or by an assignee. Claims must be clear, concise, and fully supported by the description. Applications are published after **18 months** from the filing or priority date — pre-grant publication enables patent holders to notify third parties and, upon grant, claim compensation for unauthorised commercial use occurring after such notice.

Rights Conferred by a Patent

The Federal Law No. 11 of 2021 grants the patent owner **exclusive rights to commercially exploit the invention** for the full duration of protection. These rights are limited to acts with industrial or commercial purposes and do not extend to acts relating to a patented product after it has been legitimately sold (exhaustion of rights).



Make & Use

Exclusively manufacture, use, and deploy the patented product or process within the UAE market.



Import Control

Prevent unauthorised importation of the patented product — a critical border protection for rights holders in a major trade hub.



Sell & Offer for Sale

Sell, offer for sale, and control distribution channels for the patented product throughout the UAE, including free zones.



Process Patents

Where the patent covers a method or process, control extends to products **directly resulting** from that process — a powerful protection against process copying.

Compulsory Licences: Government Intervention

Compulsory licensing is the mechanism by which the government or courts can authorise a third party to use a patented invention **without the owner's consent**, in defined circumstances of public interest or market failure.

Grounds for a Compulsory Licence

- At least 3 years have elapsed since the patent was granted
- The owner has not exploited the invention, or has exploited it inadequately
- The applicant made serious good-faith efforts to obtain a voluntary licence on commercially reasonable terms — and failed
- Special rule: semiconductor technology licences only permitted for **public, non-commercial use** or to remedy anti-competitive conduct

Key Protections & Conditions

- **Non-exclusive** — the original owner retains exploitation rights
- Must primarily serve the **local market**
- Scope and duration fixed by the Court or MOE
- Patent owner receives **fair compensation**
- Licence is tied to the licensee's establishment — not freely transferable
- Applications heard by the **Abu Dhabi Federal Court of Appeal**

Industrial Design Protection

An industrial design is any **two - or three-dimensional ornamental or aesthetic aspect** of an article that gives it a special appearance — including shape, surface arrangement, patterns, lines, colours, and textures. Protection covers the aesthetic dimension only, not functional or technical aspects.

Industrial design protection is **registration-based**; an unregistered design receives no statutory protection. Notably, copyright and industrial design protection may **coexist** in appropriate cases.

Key Differences from Patents

- No inventive step required — **novelty alone** is the criterion
- One-year grace period for disclosure before filing
- Priority period: **six months** from first filing date
- Refused only if it offends public order or morality

Duration & Exclusive Rights

Protection lasts **20 years from the filing date**, subject to annual fees — one of the longest design protection terms globally.

The registered owner may exclusively prevent third parties from:

- Using the design in making any product
- Importing a product embodying the design
- Possessing such a product for commercial use
- Offering for sale or selling it

Rights apply **regardless of product category** — protecting against cross-category copying.

Contractual (Voluntary) Licences

The Federal Law No. 11 of 2021 establishes the framework for **voluntary commercial licensing** — the primary route through which IP rights holders permit others to use their rights in exchange for royalties or lump-sum payments.

Formal Requirements

Every licence must be **in writing and signed by the parties**. It must not exceed the remaining term of the underlying protection. The licence must be recorded in the Register and published in the Industrial Property Bulletin —until published, it has **no effect against third parties**.

Default Rights of the Licensor

Unless the contract provides otherwise, granting a licence does **not prevent the rights holder** from continuing to exploit the right themselves or from granting further licences. The licensee's rights extend across the entire UAE, including free zones.

Sub-Licensing & Transfer

The licensee **cannot sub-licence or transfer** without the licensor's agreement — except where the licensee's entire business or relevant part of it is transferred. Both parties may independently take legal action to stop infringement.

MOE Supervisory Control

The MOE may **refuse to register** a licence that would lead to misuse of IP rights or adversely affect competition in the UAE market, and may require modifications — a vital safeguard against anti-competitive arrangements .

Undisclosed Information & Trade Secrets

Three Conditions for Protection

1 Secrecy

The information must not be generally known or readily accessible to persons who normally deal with such information.

2 Commercial Value

The information must have commercial value **by virtue of its secrecy** — its worth depends on it remaining confidential.

3 Reasonable Protective Steps

The controller must have taken reasonable steps to maintain secrecy — e.g., confidentiality agreements, access controls, and internal policies.

Prohibited Acts (Misappropriation)

- Bribing employees to obtain information
- Inducing employees to disclose information from their employment
- Disclosing information obtained under a confidentiality agreement
- Theft, espionage, or other illicit means of access
- Fraudulent acquisition, or using information known to be wrongfully obtained

Permitted Acts

- Acquiring information from public sources
- Independent research, testing, or reverse engineering of market products
- Using information already generally known in the industry

- ❏ No registration required — protection subsists for as long as the information remains confidential.



Enforcement, Remedies & Penalties

Civil Remedies

Any protection title owner or licensee may sue before the **Abu Dhabi Federal Court of Appeal** for compensation. Courts may grant **precautionary seizure orders** to immediately impound infringing products and equipment — preventing further harm during proceedings.

Criminal Penalties

Deliberate infringement, forgery, or imitation of a protected right carries **imprisonment and/or a fine** of not less than **AED 100,000** (~USD 27,000) and not more than **AED 1,000,000** (~USD 272,000).

Confiscation & Destruction

Courts may order confiscation or destruction of infringing articles and equipment. Judgment may be **published at the convict's expense** in the Industrial Property Bulletin or a local newspaper.

Additional Legislation

More severe penalties under other UAE laws — such as the **Anti-Commercial Fraud Law** — may also apply concurrently, significantly amplifying the deterrent effect.

Administrative Framework

The Law establishes a robust, digitised administrative system managed by the Ministry of Economy — designed to reduce judicial burden, ensure transparency, and maintain a reliable public record of all industrial property rights.



The Register

The MOE maintains a central Register. All grants, transfers, licences, pledges, surrenders, and invalidations must be recorded to take effect against third parties —the authoritative public record of UAE industrial property rights.



Digital Administration

Cabinet Resolution No. 6 of 2022 recognises **electronic systems** for filing, notification, and service of documents, and permits publication through official digital platforms — a fully modernised administrative framework.



Grievance Committee

A Cabinet-established Committee — chaired by a judge with two IP experts — hears challenges against MOE decisions. Applicants must **exhaust this internal mechanism** before approaching the courts, reducing judicial burden and resolving disputes efficiently.



Post-Grant Re-Examination

Cabinet Resolution No. 6 of 2022 allows interested parties to challenge granted patents or UMCs before the MOE, supported by evidence. May lead to partial or full deregistration — enhancing patent quality control.

International Patent Applications & PCT

The UAE is a member of the **Patent Cooperation Treaty (PCT)**, which provides a streamlined mechanism for seeking patent protection in multiple countries simultaneously through a single international application.

Under the Federal Law No. 11 of 2021 the MOE's **ICPR serves as a PCT Receiving Office** — accepting international applications and processing them according to PCT rules. Once an application enters the national phase in the UAE, it is subject to the same requirements, fees, and procedures as a direct national application.

This makes the UAE a highly attractive destination for **global innovators** seeking efficient, cost-effective multi-jurisdictional protection — fully integrated into the international IP ecosystem.

PCT Process Overview

1. File a single international application via ICPR (as PCT Receiving Office)
2. International phase: governed by PCT Regulations
3. International search report and written opinion issued
4. National/regional phase entry in each target country
5. UAE national phase: same requirements as direct national filing

What the Law Covers: At a Glance



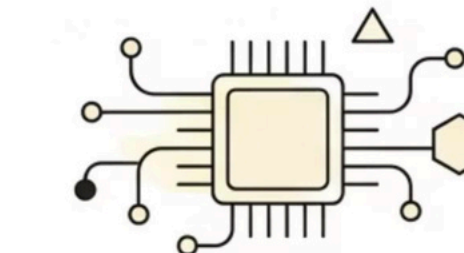
20 years
Patents
Breakthrough inventions



Utility Model Certificates
Practical innovations



Industrial Designs



Layout-Designs of Integrated Circuits



Trade Secrets
no registration required
Commercially valuable confidential info



Contractual Licensing
Monetisation framework for all IP rights

Federal Law No. (11) of 2021 read with Cabinet Resolution No. 6 of 2022 covers an impressively wide spectrum of industrial property — balancing exclusive rights with robust exceptions for education, research, and good-faith use, while providing meaningful penalties to deter infringement and accessible administrative remedies through the Grievance Committee.

Why Federal Law No. 11 of 2021 Matters for Your Business

For any business operating in the UAE — whether a startup, multinational corporation, pharmaceutical company, technology firm, or creative enterprise — understanding this Law is not merely a legal formality. It is **essential to protecting valuable assets, avoiding unintentional infringement, and maximising commercial opportunities.**

Protect Your Assets

Secure patents, designs, and trade secrets before competitors do — the first-to-file rule rewards proactive IP management.

Avoid Infringement

Understand what is protected and what is not — including grace periods, exceptions, and post-employment restrictions.

Monetise Rights

Leverage the voluntary licensing framework to generate royalty income and commercialise IP assets across the UAE and beyond.

Participate in Innovation

The UAE's ambition to be a world-leading centre for industrial creativity is backed by a law that rewards inventors and creative enterprises at every level.