

**Law No. (5) of 2026**  
**Regulating the**  
**Outsourcing of Government Services in the Emirate of Dubai<sup>1</sup>**

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**We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,**

After perusal of:

Federal Law by Decree No. (32) of 2021 Concerning Commercial Companies and its amendments;

Federal Law by Decree No. (33) of 2021 Regulating Labour Relations and its amendments;

Law No. (5) of 1995 Establishing the Department of Finance;

Law No. (14) of 2009 Concerning the Pricing of Government Services in the Emirate of Dubai and its amendments;

Law No. (31) of 2009 Establishing the Dubai Government Human Resources Department and its amendments;

Law No. (13) of 2011 Regulating the Conduct of Economic Activities in the Emirate of Dubai and its amendments;

Law No. (22) of 2015 Regulating Partnership between the Public Sector and the Private Sector in the Emirate of Dubai;

Law No. (26) of 2015 Regulating Data Dissemination and Exchange in the Emirate of Dubai;

Law No. (1) of 2016 Concerning the Financial Regulations of the Government of Dubai, its Implementing Bylaw, and their amendments;

Law No. (12) of 2020 Concerning Contracts and Warehouse Management in the Government of Dubai;

Law No. (1) of 2021 Establishing the Dubai Digital Authority;

Law No. (9) of 2022 Regulating the Provision of Digital Services in the Emirate of Dubai;

Law No. (26) of 2023 Concerning the Executive Council of the Emirate of Dubai;

Law No. (15) of 2024 Concerning the Dubai Electronic Security Centre; and

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*<sup>1</sup>Every effort has been made to produce an accurate and complete English version of this legislation. However, for the purpose of its interpretation and application, reference must be made to the original Arabic text. In case of conflict, the Arabic text will prevail.*

Resolution No. (2) of 2017 Approving the Policies Document on Classification, Dissemination, Exchange, and Protection of Data in the Emirate of Dubai,

**Do hereby issue this Law.**

## **Title of the Law**

### **Article (1)**

This Law will be cited as "Law No. (5) of 2026 Regulating the Outsourcing of Government Services in the Emirate of Dubai".

## **Definitions**

### **Article (2)**

The following words and expressions, wherever mentioned in this Law, have the meanings respectively assigned to them, unless the context implies otherwise:

Emirate:	The Emirate of Dubai.
Government:	The Government of Dubai.
Executive Council:	The Executive Council of the Emirate of Dubai.
SFC:	The Supreme Fiscal Committee in the Emirate of Dubai.
DOF:	The Department of Finance.
Government Entity:	Any of the Government departments, public agencies or corporations, Government councils, public authorities, or other public entities affiliated to the Government.
Outsourcing:	A contractual arrangement under which a Contractor is authorised to provide some or all of the Government Services on behalf of a Government Entity, in accordance with the conditions and rules prescribed by this Law, the resolutions issued in pursuance hereof, and the relevant Outsourcing Contract.
Outsourcing Contract:	A Contract concluded between a Government Entity and a Contractor, under which the Contractor undertakes to provide Government Services on behalf of, and under the supervision and control of, the Government Entity, for a fee and for a specified term, in accordance with the provisions of this Law,

the resolutions issued in pursuance hereof, and the terms of that Contract.

Contractor:	A for-profit or non-profit private Establishment or Company licensed by the competent licensing authority in the Emirate to perform an Outsourcing Contract.
Government Services:	The services and activities provided by Government Entities in accordance with the legislation applicable to them, for the public benefit of Customers, whether for a fee or free of charge. These include the collection of fines from persons in breach of the legislation in force in the Emirate.
Digital Channels:	Websites, smart applications, and other media through which Government Services are provided and made available to Customers.
Outsourcing Centre:	The premises provided by a Contractor for receipt of Customers and provision of Government Services.
Customer:	A Person requesting a Government Service from a Government Entity or a Contractor.
UAE National:	Any person who holds the nationality of the United Arab Emirates.

### **Objectives of the Law Article (3)**

This Law aims to:

1. ensure the proper Governance of the Outsourcing of Government Services in accordance with relevant international best practices, and in a manner that serves the interests of Government Entities;
2. contribute to improving the quality and efficiency of Government Services provided by Government Entities to Customers;
3. contribute to reducing Government costs incurred in the provision of Government Services and achieve financial savings for the Public Treasury of the Government of Dubai, while ensuring that such services continue to be delivered at the required quality and performance standards;

4. enhance Customer confidence in Government Services by ensuring ease of access to these services and their availability at times, through channels, and in areas that are suited to Customers' needs;
5. contribute to creating and developing a competitive environment that enhances productivity in the provision of Government Services and ensures the provision of the highest quality Government Services to Customers;
6. enhance cooperation and facilitate the transfer of knowledge and expertise between the Public Sector and the Private Sector in relation to the provision of Government Services, in a manner that supports the achievement of the strategic objectives of the Government; and
7. contribute to creating new job opportunities for UAE Nationals in the Private Sector and to increasing the participation of UAE National cadres in the labour market.

### **Scope of Application** **Article (4)**

The provisions of this Law apply to:

1. Government Entities subject to the General Budget of the Government, as well as any other Government Entity to which the application of this Law is extended by a resolution issued by the Chairman of the Executive Council upon the recommendation of the SFC;
2. Government Services designated for Outsourcing, in respect of which Outsourcing Contracts are concluded by Government Entities to which this Law applies; and
3. Contractors engaged by Government Entities to provide Government Services on their behalf.

### **Functions of the DOF** **Article (5)**

For the purposes of this Law, the DOF will have the duties and powers to:

1. propose, update, and develop the policies regulating Outsourcing, based on the outcomes of the performance of Government Entities' Outsourcing Contracts, the feedback and development proposals submitted by those entities, and relevant international best practices;
2. provide support and assistance to Government Entities in the preparation and development of Outsourcing initiatives;

3. provide, in coordination with the concerned entities in the Emirate, support to Government Entities in reviewing their proposals to outsource some or all of the Government Services they are authorised to provide in accordance with applicable legislation;
4. review and approve, before the Outsourcing Contract is entered into, the fee payable to a Contractor for Outsourcing, as well as any other amounts agreed upon with the Contractor that may affect the charges collected from Customers or the Public Revenue generated from the Government Services intended for Outsourcing;
5. review, in coordination with the Government Entity that has contracted with a Contractor, the procedures and penalties that may be imposed on the Contractor in the event of a breach of its contractual obligations, as agreed in the Outsourcing Contract;
6. prepare templates for the general conditions of Outsourcing Contracts. A Government Entity may use its own templates, provided that such templates are not inconsistent with the templates prepared by the DOF; and
7. exercise any other duties or powers required for the achievement of the objectives of this Law, as assigned to it by the Chairman of the Executive Council.

### **Outsourcing of Government Services**

#### **Article (6)**

- a. A Government Entity may outsource any Government Service, whether delivered through Digital Channels or traditional channels, to a Contractor under an Outsourcing Contract.
- b. Prior to Outsourcing any Government Service in accordance with the provisions of this Law, the Government Entity must obtain the DOF's approval of the following:
  1. the proposed fee payable to the Contractor for the Outsourcing; and
  2. the mechanism for collecting payments by the Contractor for the provision of Government Services and for remittance of these payments to the Public Treasury of the Government of Dubai.
- c. For the purpose of obtaining the approval of the DOF under paragraph (b) of this Article, the Government Entity must prepare a detailed study of the Government Services to be outsourced to a Contractor and submit the same to the DOF. The study must include:
  1. a work plan for the implementation of the Outsourcing and its term;

2. a detailed feasibility study comparing Outsourcing with the continuation of direct service provision by the Government Entity in order to ensure that there is no adverse long-term impact on Public Revenue;
3. an assessment of potential strategic risks associated with the provision of Government Services by the Contractor, together with the Government Entity's plan for managing these risks;
4. an evaluation of the impact of Outsourcing on the quality of the Government Service covered by the Outsourcing Contract;
5. an analysis of the impact of the Outsourcing of Government Services on existing and future employment plans of UAE Nationals within the Government Entity;
6. an estimate of the financial savings to be achieved by the Government Entity from Outsourcing Government Services, and the long-term impact on the Government Entity's annual budget;
7. the proposed Outsourcing fee to be paid to the Contractor;
8. the number of Contractors to be engaged for the provision of Government Services, their respective Outsourcing Centres, and the geographical distribution of these centres across the Emirate;
9. the channels for the provision of Government Services, whether traditional or digital; the entity responsible for overseeing these channels, whether the Government Entity or the Contractor; and whether the Government Entity will continue to provide the Government Services through its official channels and centres alongside their provision through Outsourcing Centres; and
10. any other Data or information required by the DOF.

**Rules for Outsourcing Government Services**  
**Article (7)**

When Outsourcing Government Services, a Government Entity must:

1. ensure that the needs of Customers across all areas of the Emirate are met. The Government Entity must continue to provide Government Services through its official channels and centres where the Contractor fails to deliver Government Services in any area;
2. continue to deliver Government Services through its approved Digital Channels and shared digital platforms;

3. maintain full transparency with the Contractor in respect of all financial matters, including reports and financial statements; and must have access to financial Data and details to ensure optimal management of revenue and expenditure;
4. develop a proactive plan to address potential issues or obstacles arising in the performance of the Outsourcing Contract;
5. develop a plan for the qualification and capacity-building of UAE National employees working with the Contractor;
6. establish a risk management and business continuity plan for the Outsourcing Centre to ensure the uninterrupted provision of Government Services during emergencies, crises, disasters, or other exceptional circumstances;
7. develop, in coordination with the Dubai Government Human Resources Department, a plan for the deployment of employees holding positions related to the Government Services to be outsourced. This plan must aim to maximise the utilisation of UAE National talent and expertise;
8. assess the efficiency, solvency, and compliance of the Contractor with the legal and regulatory requirements for providing Government Services, taking into account any complaints or legal actions of any type or nature filed against it and their impact on the performance of its contractual obligations. The Government Entity may, by reasoned decision, grant an exception from any of these requirements where there is a valid justification for engaging the Contractor;
9. verify the competence and capacity of the employees of the Government Entity in managing the Outsourcing Contract effectively;
10. ensure that the Outsourcing Centre complies with the Government-approved standards for centres for the provision of Government Services;
11. ensure that Outsourcing does not affect existing Government Service fee structures or the Customer experience or service journey;
12. allow the Contractor to deliver, at a single Outsourcing Centre, a range of Government Services falling within the remit of multiple Government Entities;
13. ensure that Outsourcing covers the entire Government Service, rather than only parts thereof, in order to enhance Customer experience and facilitate ease of doing business. However, the Head of the Government Entity may, in certain cases, approve the Outsourcing of specific parts of a service, provided that the Outsourcing does not result in increased procedures, complexity, or costs borne by Customers;

14. ensure that the Contractor employs UAE Nationals in the Outsourcing Centre, in accordance with Article (19) of this Law;
15. not outsource Government Services to a Business taking the legal form of a sole proprietorship, civil company, or partnership;
16. not impose any monthly or annual subscription fees for entering into an Outsourcing Contract or for the number of Outsourcing Centres of the Contractor;
17. not impose on the Contractor any financial guarantees for providing Government Services, except in the form of letters of guarantee or fixed-amount cheques, in accordance with the relevant applicable legislation; and
18. comply with any other obligations prescribed by the DOF pursuant to resolutions issued by the Director General in this respect.

### **Obligations of Contractors** **Article (8)**

In providing Government Services, a Contractor must:

1. comply with all terms, procedures, and requirements governing the provision of Government Services under the legislation in force in the Emirate;
2. comply with the policies and standards for the provision and evaluation of Government Services established by the Government Entity;
3. ensure that the procedures and requirements for providing Government Services at Outsourcing Centres are aligned with those applied at the Government Entity's service centres and through its Digital Channels to ensure seamless Customer experience in accessing Government Services across all channels;
4. establish electronic connection between the Outsourcing Centre and the systems used by the Government Entity for the provision of Government Services;
5. maintain the privacy and confidentiality of Customer Data in accordance with the processes and procedures adopted by the Dubai Digital Authority and the Dubai Electronic Security Centre, ensuring the security and protection of that Data;
6. apply the quality standards adopted by the Government Entity in all matters related to the provision of Government Services;
7. provide continued training to employees at Outsourcing Centres to ensure that Government Services are provided to the highest standards of quality, efficiency, and integrity;

8. develop the necessary measures and procedures to combat and prevent any act that constitutes a violation of applicable legislation in the course of providing Government Services;
9. submit all documents, information, and Data requested by the Government Entity or the DOF for the purposes of reviewing and auditing the Contractor's financial Data and performance; cooperate with the DOF's employees; and grant them access to its premises and Outsourcing Centres at any time for audit purposes;
10. transfer knowledge and expertise to the Government Entity, and train and qualify its Employees, as agreed between the Government Entity and the Contractor in this respect;
11. comply with the environmental and health standards, and public safety requirements, applicable to employees and Customers at the Outsourcing Centre, as prescribed by legislation in force in the Emirate;
12. offer a variety of appropriate options and channels for delivering Government Services to different Customer segments; and
13. fulfil any other obligations stipulated in the Outsourcing Contract.

### **Multiple Contractors Article (9)**

A Government Entity may engage one or more Contractors to provide the same Government Service. In order to ensure neutrality and promote fair competition, it may not enter into an exclusive contract with a Contractor, except where the Contractor is the only bidder to provide the Outsourced Government Service.

### **Contents of Outsourcing Contracts Article (10)**

An Outsourcing Contract must include the essential provisions governing Outsourcing between the Government Entity and the Contractor and the mutual obligations of the parties, including in particular:

1. the nature and scope of the Government Services that the Contractor must provide;
2. the responsibility for obtaining Licences, permits, and approvals;
3. the mutual financial and technical obligations of the parties to the Outsourcing Contract;

4. the quality assurance methods; the financial, administrative, and technical audit, control, and supervision tools for the Outsourcing of Government Services; and the relevant performance indicators;
5. the rules governing the right of the Government Entity and the Contractor to terminate or amend the Outsourcing Contract and the Contractor's obligations upon any such amendments; and the grounds and methods of compensation in the event of such termination or amendment of the Outsourcing Contract;
6. the term of the Outsourcing Contract, cases of early partial or complete termination, and the rights and obligations of the contracting parties;
7. the cases where the Government Entity may unilaterally terminate the Outsourcing Contract;
8. the measures and penalties that may be imposed on the Contractor for failure to meet its contractual obligations;
9. the rules and procedures for ceasing the provision of Government Services by the Contractor and transferring those services back to the Government Entity, whether upon the expiry, unilateral termination, mutually-agreed early termination, or partial termination of the Outsourcing Contract;
10. the procedures for ensuring the continuity of Government Services covered by the Outsourcing Contract upon expiry or termination of the Contract, or upon failure by the Contractor to meet its contractual obligations;
11. the procedures for the employment of UAE Nationals by the Contractor, including eligibility criteria for their financial entitlements and all other matters related to their employment;
12. the measures the Contractor must take in the event of technical malfunctions during the provision of Government Services;
13. the procedures for collecting charges for the Government Services provided by the Contractor and the methods for remittance of these fees to the Public Treasury of the Government of Dubai;
14. the service levels the Contractor is required to meet, including operational performance indicators, safety and security standards, and other relevant criteria, as well as the electronic systems and programmes that must be implemented by the Contractor;
15. the procedures for evaluating the quality of Government Services provided by the Contractor to Customers;

16. the methodology and percentages for distributing revenues between the parties to the Outsourcing Contract, in a manner that ensures fairness and economic feasibility in relation to the provision of the Government Services, taking into account all the procedures, efforts, total cost, and other relevant factors;
17. the procedures for monitoring and auditing the Contractor's financial and administrative performance throughout the term of the Outsourcing Contract; and
18. any additional provisions that must be included in the Outsourcing Contract for the achievement of the objectives of this Law, as determined by the Government Entity or the DOF.

### **Term of Outsourcing Contracts Article (11)**

In determining the term of an Outsourcing Contract, consideration must be given to the financial return that may be realised by the Contractor in the short and medium term, as well as to the number of UAE Nationals to be employed at the Outsourcing Centres. In any event, the term of an Outsourcing Contract must not be less than three (3) years, renewable for the same period.

### **Dissolution, Liquidation, and Assignment Article (12)**

- a. A Contractor may not dissolve or liquidate the Company or Establishment contracted by a Government Entity to provide Government Services, nor reduce its share capital or change its legal form, without first obtaining the written approval of the Government Entity that entered into the Outsourcing Contract.
- b. A Contractor may not assign an Outsourcing Contract, in whole or in part, to another Contractor or enter into a partnership with third parties, without first obtaining the written approval of the contracting Government Entity. For this approval to be granted, the assignment must meet the following conditions:
  1. The Contractor must provide justifiable reasons for the assignment of the Outsourcing Contract or any part thereof.
  2. The assignment must be formalised by a tripartite agreement between the Government Entity, the Contractor, and the assignee. This agreement must clearly specify the respective obligations of the Contractor and the assignee toward the Government Entity and will take effect only upon approval by the Government Entity.

3. The assignee must satisfy all the requirements, conditions, controls, and rules applicable to the Outsourcing and the Contractor, as prescribed by this Law, the resolutions issued in pursuance hereof, and other legislation in force in the Emirate.

### **Expiry and Termination of Outsourcing Contracts**

#### **Article (13)**

- a. An Outsourcing Contract will be terminated in any of the following cases:
  1. mutual agreement by the parties to the Outsourcing Contract to terminate it before its expiry date;
  2. expiry of the term of the Outsourcing Contract, unless renewed by agreement of the parties;
  3. issuance of a court judgment dissolving the Contractor or declaring its bankruptcy;
  4. breach by the Contractor of any of the essential conditions of the Outsourcing Contract that necessitate its termination, or failure by the Contractor to comply with any of the conditions and rules prescribed by this Law and the resolutions issued in pursuance hereof; and
  5. a change in the strategic directions, policies, or plans of the Emirate or the Government Entity relating to Government Services or the functions assigned to the Government Entity under applicable legislation.
- b. Where a Government Entity elects not to renew an Outsourcing Contract, it must notify the Contractor of the non-renewal at least six (6) months before the expiry of the term of the Outsourcing Contract, unless the parties agree otherwise.

### **Collection of Fees and Charges**

#### **Article (14)**

- a. Neither the Contractor nor the Government Entity may impose any additional charges in addition to the Government fees, prices, tariffs, or charges, prescribed by the applicable legislation for the provision of Government Services, without first submitting a request to the contracting Government Entity and obtaining prior approval from the DOF.
- b. The Government Entity must refer the request to collect additional charges as referred to in paragraph (a) of this Article to the DOF for review, in accordance with the rules and regulations adopted by the DOF in this respect.

- c. Where the DOF approves collection by the Contractor or Government Entity of any additional charges for providing certain Government Services, the Contractor must provide these services to all categories of Customers for a fee equivalent to the standard cost of providing the services, and must offer multiple options for accessing them.
- d. In collecting Government fees, prices, tariffs and charges for the provision of Government Services, multiple payment options must be made available, and such amounts must be collected from the Customer only once per transaction.

### **Article (15)**

- a. The Contractor must remit all Government fees, prices, tariffs, and charges collected in return for the provision of Government Services to the Public Treasury of the Government of Dubai.
- b. The Government Entity may, subject to the DOF's prior approval, authorise the Contractor to deduct the financial costs due to it under the Outsourcing Contract before remitting Public Revenue to the Public Treasury of the Government of Dubai, to enable it to cover its operational costs and pay its employees' salaries.
- c. Neither the Government Entity nor the Contractor may allocate any portion of the Public Revenue collected for the provision of Government Services to any community contributions.
- d. The Contractor must prepare and submit to the Government Entity a monthly report on the Public Revenue collected in return for the provision of Government Services. This report must include the number and types of transactions carried out during the month, and the total revenue collected.
- e. The Government Entity must periodically and regularly audit and reconcile the amounts received from the Contractor against its monthly report and the Government Entity's financial collection reports, and provide the DOF with a report indicating the total Public Revenue collected.

### **Protection of Contractors' Assets**

#### **Article (16)**

Outsourcing Centres and the tools, devices, and equipment designated for the performance of an Outsourcing Contract and the provision of Government Services may not be subject to attachment or enforcement proceedings. The Contractor may not sell, or create any rights over any of its property or assets designated for the performance of

an Outsourcing Contract, without first obtaining the approval of the contracting Government Entity; except that a collateral right in rem may be created over such property and assets for financing purposes, subject to the prior written approval of the Government Entity. Any act or transaction in contravention of this Article will be null and void.

### **Violations and Administrative Penalties**

#### **Article (17)**

- a. Customers will be subject to the penalties, fines, and administrative measures prescribed by the legislation applicable to the Government Entity upon committing any violation stipulated therein. The Government Entity may engage the Contractor to collect the fines payable in respect of these violations.
- b. A Contractor whose employees are granted law enforcement capacity to record the acts committed in breach of the legislation applicable to the Government Entity may not impose on Customers any penalty, fine, or administrative measure other than those prescribed by that legislation.

### **Performance Assessment Indicators**

#### **Article (18)**

- a. A Government Entity must periodically monitor and assess the Contractor's performance in the provision of Government Services using the performance indicators specified in the Outsourcing Contract. These indicators must be aligned with the Government Entity's approved strategic objectives.
- b. In establishing the performance indicators referred to in paragraph (a) of this Article the following must be taken into consideration:
  1. the Contractor's financial position, capabilities, human resources, and other internal resources;
  2. the existence of channels for monitoring Customer feedback, including complaints, suggestions, and satisfaction levels, which must be monitored directly by both the Government Entity and the Contractor;
  3. alignment between the Contractor's performance indicators and those of the Government Services outsourced to it and the performance indicators of the Government Entity and the Government Services it provides, as approved by the General Secretariat of the Executive Council; and
  4. any other criteria determined by the relevant resolutions issued by the Chairman of the Executive Council.

**Employment of UAE Nationals by Contractors**  
**Article (19)**

- a. A Contractor must employ at least one (1) UAE National for every non-UAE National it employs.
- b. The financial entitlements of UAE Nationals employed by the Contractor and the procedures for their incentivisation and recognition must be determined in accordance with applicable legislation and the terms of the Outsourcing Contract concluded between the Contractor and the Government Entity.

**Grievances**  
**Article (20)**

Any affected party may submit a written grievance to the Head of the Government Entity against any decision, procedure, penalty, or measure taken against it by the Contractor in accordance with the legislation applicable to the Government Entity, within the time frames specified therein. The grievance must be supported by official documents substantiating it. The provisions of the legislation whose enforcement has been outsourced to the Contractor will apply to the consideration and determination of the grievance.

**Applicability of the Contracts Law**  
**Article (21)**

The provisions of the above-mentioned Law No. (12) of 2020 apply to the process and procedures for selecting Contractors and to any matter on which the Outsourcing Contract is silent, including the settlement of disputes arising therefrom through arbitration outside the Emirate or the application of any legislation other than the legislation in force in the Emirate to any dispute concerning the Outsourcing Contract or the procedures related thereto.

**Compliance with this Law**  
**Article (22)**

Government Entities and Contractors that have entered into contractual arrangements before the effective date of this Law must comply with its provisions within a period not exceeding three (3) years from that date. The Director General of the DOF may, where necessary, extend this grace period once for one (1) year.

**Issuing Implementing Resolutions**  
**Article (23)**

The Chairman of the Executive Council will issue the resolutions required for the implementation of the provisions of this Law.

**Repeals**  
**Article (24)**

Any provision in any other legislation is hereby repealed to the extent that it conflicts with the provisions of this Law.

**Publication and Commencement**  
**Article (25)**

This Law will be published in the Official Gazette and will come into force on the day on which it is published.

**Mohammed bin Rashid Al Maktoum**  
**Ruler of Dubai**

Issued in Dubai on 27 February 2026  
Corresponding to 10 Ramadan 1447 A.H.