What a Nida phone system does and the law behind it

A telephony server at the office, numbers on the company's own licence, a GSM gateway with business SIMs, call recording and a filter for sales calls. For each point: the rule and a link to the original text.

150 000
AED: the highest fine for one breach of the sales-call rules

5
penalty points, and the number's outgoing calls are barred (e&, from 01.09.2026)

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TDRA licences a company needs for its own phone system serving its own staff in the UAE

1 GSM GATEWAY WITH COMPANY SIMS: IS IT LEGAL?

Yes, on four conditions. A breach gets the SIM blocked by the carrier.

- The gateway is on the TDRA register: only approved equipment may connect to the network (Telecom Law 3/2003, Art. 42). Dinstar UC2000-VE-4T is on the TDRA register: ER46917/25, valid to 18.06.2028.
- The SIMs are registered to the company: du issues business numbers against the trade licence and establishment card (du, moving a number to business). The company's staff use them. Providing the service to third parties is prohibited, and du may cut the number off without notice for it (du enterprise agreement, clauses 7.3 and 11.1.1).
- No third-party traffic: routing other people's calls through local SIMs (a SIM box) means providing telecom services without a licence (TDRA VoIP Policy v2.0, paras 3.1 and 3.2).
- No mass calling: the du enterprise agreement, clause 11.3, lets du suspend a number or SIM for unlawful use or for traffic out of proportion to normal use. At 5 penalty points e& moves a number to the Do Not Originate Register, outgoing calls are barred, and unblocking costs AED 5 000 per number (e&, DNCR).
- Sales calls from these SIMs are allowed: Cabinet Resolution 56/2024, Art. 4(3), asks for local du or e& numbers registered to the company's licence, and business SIMs are such numbers. Carriers watch SIMs in gateways for SIM-box traffic, and penalty points land on the calling number, so the sales-call filter limits the number of calls each employee makes.

Carriers publish no limit on business SIMs per licence; Nida agrees the number of SIMs with the carrier for each client.

2 OWN TELEPHONY SERVER AT THE OFFICE AND STAFF SOFTPHONES

No licence needed: calls within one company, or a group under common ownership, are exempt when the network is in the UAE and each call starts and ends in the UAE.

- VoIP Policy v2.0, paras 3.3 and 3.4, footnotes 1, 2 and 3 (Closed Group Network); TDRA FAQ: installing VoIP hardware and software in a private network needs no licence as long as the company does not sell VoIP services.
- A staff member in the UAE may call from a smartphone through the company's phone system: these are internal calls of one company and need no licence (VoIP Policy v2.0, paras 3.3 and 3.4). When the staff member is abroad, the exemption does not cover the call: under footnotes 2 and 3 a call must start and end in the UAE.

The policy does not address staff connecting over the internet directly; Nida keeps the phone system and the numbers in the UAE.

3 PHONE SYSTEM IN THE CLOUD

Allowed when the phone system runs in the UAE, serves one company and reaches the public network through du or e&.

- TDRA Internet Guidelines: VoIP services for users in the UAE are allowed when they work together with a licensee (du, e&) or are approved by TDRA. Hosting providers may not host other VoIP services, and UAE internet providers block them.
- VoIP Policy v2.0, footnote 1: a Closed Group Network must be located in the UAE. A Nida cloud phone system runs in Azure UAE North (Dubai), one per company, and its outside calls go through du or e&.

4 CALL RECORDING

Sales calls must be recorded, with a notice at the start. Recording other calls without the other party's consent can be a crime, so the phone system announces recording on every call.

- Sales calls: record them and tell the consumer at the start of the call (Cabinet Resolution 56/2024, Art. 4(7)). No form is set: the caller's own first sentence is a valid notice.
- Recording a phone conversation without consent in a way that violates private or family life is a crime; the devices are confiscated and the recordings destroyed (Crimes and Penalties Law 31/2021, Art. 431(1)). Eavesdropping on a phone call: a fine from AED 3 000 (Art. 433). Passing on the content of a call accessed through one's work: imprisonment (Art. 434).
- Recording a conversation through an information system with the intention of invading privacy, without consent: at least 6 months in prison and/or a fine of AED 150 000 to 500 000 (Cybercrime Law 34/2021, Art. 44(1)).
- Personal data is processed with consent, except where another law requires the processing (Personal Data Protection Law 45/2021, Art. 4(10)): recording a sales call needs no consent, only the notice. The purpose, the recipients and any transfer abroad are given before processing (Art. 13(2)), so a privacy page complements the spoken notice.
- A Nida phone system plays the recording notice once per call, at the start, never again on a transfer: on incoming calls in Arabic and English, on sales calls as a short line in English. When the person called speaks Arabic, the caller's first sentence repeats it in Arabic: information for consumers must be in Arabic (Consumer Protection Law 15/2020, Art. 26). Recordings and data stay on the client's phone system in the UAE (Personal Data Protection Law 45/2021). Nida engineers open a recording only on the client's request.

5 SALES CALLS AND THE DO NOT CALL REGISTRY

Strict rules and high fines; under the du and e& contracts they also apply to calls to companies.

- Prior approval from the authority that issued the trade licence, before the first sales call (Cabinet Resolution 56/2024, Art. 4(1)); without it, AED 75 000 for a first breach. The Competent Authority is the body that licenses the company's activity (Arts. 1 and 4(1); the government policy page on telemarketing names local licensing authorities). The procedure is not published; Nida clarifies it with the licensing authority for each client. In Dubai, DET fined 159 companies AED 50 000 each (WAM).
- Only from 09:00 to 18:00, no calls to numbers on the Do Not Call Registry (DNCR), no call-back after a refusal, name the company and the purpose, keep a register of calls (Cabinet Resolution 56/2024, in force since 27.08.2024).
- A fine of up to AED 150 000 per breach, from a warning up to cancellation of the licence (Cabinet Resolution 57/2024).
- e& from 01.09.2026: at 5 penalty points the number's outgoing calls are barred, and unblocking costs AED 5 000 per number; at 25, restrictions on buying or activating telecom services under the licence (e&, DNCR).
- Rules for calls to companies: Spam Calls Policy v2.0 in the du agreement; TDRA on telemarketing.
- A number counts as registered the moment it is added, with no grace period: the call list is checked before calling through the du or e& business portal; e& asks organisations to verify regularly.
- The sales-call filter in a Nida phone system checks the DNCR, the 09:00 to 18:00 hours and refusals, and keeps the register.

6 CALLS TO LANDLINES AND MOBILES

Through a licensee: a du or e& SIP trunk on the company's licence, or business SIMs in a gateway.

- A SIP trunk is sold by channels (calls at the same time) and numbers, and the number count does not depend on headcount (a carrier SIP package).
- Papers for the connection: trade licence, establishment card, Ejari, the signatory's Emirates ID (both sides), staff list, and the last carrier bill if the numbers are already with that carrier. Nida confirms the carrier's Ejari requirements for each office.

7 EQUIPMENT

The client buys the equipment in its own name. Nida selects models from the TDRA register, sets them up and maintains them.

- Only TDRA-approved equipment may be used, sold or connected to the network (Telecom Law 3/2003, Art. 42). Before purchase Nida checks every model against the TDRA register.
- Manufacturers, importers and sellers of telecom equipment must register with TDRA (Type Approval Policy v4.0, sections 5 and 9; TDRA supplier registration; TDRA Type Approval). A buyer of approved equipment does not need to register.
- Phone system server: a model from the TDRA register, for example ASUS NUC: NUC15JNK (ER46966/25, valid to 19.06.2028), NUC14LNK (ER40200/25, to 07.01.2028), NUC16WCK (ER61400/26, to 01.07.2029). GSM gateway: Dinstar UC2000-VE-4T (ER46917/25, to 18.06.2028).

8 NUMBERS, INCLUDING FOREIGN ONES

Sales calls are allowed only from local du or e& numbers registered to the company's trade licence. A foreign number is acceptable when the call reaches the UAE through a local carrier.

- Cabinet Resolution 56/2024, Arts 4(3) and 4(13): numbers not registered to the company are prohibited for sales. A sales call to a client from a foreign number is a breach, up to AED 150 000.
- A personal foreign SIM roaming in the UAE: allowed; the local carrier provides the service in the UAE.
- Forwarding a foreign number to a UAE number: allowed when the foreign carrier provides it; the call reaches the UAE through du or e&.
- Calls into the UAE through a foreign VoIP service not approved by TDRA: prohibited, and the carrier may block such a service (VoIP Policy v2.0, paras 3.1 and 3.2).
- A foreign SIM in a gateway carrying other people's calls: this is a SIM box, prohibited.

9 APPS AND INTEGRATORS CONNECTED TO THE PHONE SYSTEM

The client chooses the app and decides which data it receives. Nida and the app vendor each process that data on the client's instructions.

- Where several processors take part, their roles are set in writing, otherwise they are jointly responsible (Personal Data Protection Law 45/2021, Art. 8(10)). For Nida these are the App Connector Terms, accepted by the client and by the app vendor before first access.
- Sanctions: «any person» may not serve listed persons or entities they own or control (Cabinet Resolution 74/2020, Art. 15). Nida screens integrators against these lists when it grants access.
- Liability for harm to others cannot be excluded or capped by contract (Civil Transactions Law, Federal Decree-Law 25/2025, Art. 257, in force since 01.06.2026).
- Accepting terms with a click in the portal is a valid contract (Electronic Transactions Law, Art. 10).

Nida is a brand of VLANit (Abu Dhabi licence CN-6843231) · nida.ae. An overview of the rules in force with links to the original texts: TDRA, the federal legislation portal uaelegislation.gov.ae, du, e&. Not legal advice.