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HH President Sheikh
Khalifa bin Zayed Al Nahyan
President of the United Arab Emirates

«Creating sustainable wealth for the coming generation will depend on science, knowledge, technology and innovation. The Science, Technology and Innovation Higher Policy adopted today is a turning point in our journey to develop the UAE economically and socially»





HH Sheikh

Mohammed bin Rashid Al Maktoum

UAE Vice President and Prime Minister and Ruler of Dubai

“Innovation is the key to revival of life and progress of humanity. It is in our interest in the UAE to pursue our development, progress and renew our journey towards greatness. We need, more than before, to support specialised talent and innovative leaders to sustain and build on our successes.>>



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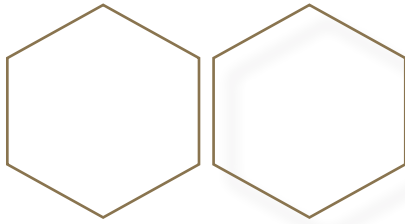
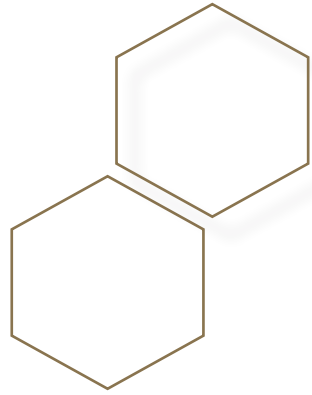
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Message



HH Sheikh

Hamdan bin Rashid Al Maktoum

Deputy Ruler of Dubai and UAE Minister of Finance

The innovation strategy and operating a smart government

The Ministry of Finance brought together its innovation strategic plan, and the UAE's smart government initiative, to create a clear roadmap for years – 2017 2021 to support the UAE's policy in science, technology and innovation. This plan was implemented after the blessing of His Highness Sheikh Khalifa bin Zayed Al Nahyan, the President of the United Arab Emirates, and is considered a key element to executing the National Strategy for Innovation that has been launched by HH Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai.

This strategic plan came as an initial response from MoF to support the UAE in establishing itself as one of the most innovative countries internationally within the next years. We have placed the necessary procedures to provide a stimulating institutional environment for innovation within the Ministry's various sectors. We also reduced the Ministry expenses by %1 in favor of supporting innovation projects and programmes for internal training. Our overall goal is to enhance and develop our qualified talent and promote their skills to enable creativity and innovation.

To achieve this plan's objectives, the 'Sheikh Mohammed bin Rashid Al Maktoum Fund to Finance Innovation' with AED 2 billion capital was launched and the Ministry has undertaken the responsibility to manage, finance and direct the funding towards projects that focus on technology, products, and unique services which have intellectual property.

The noble mission that will be carried out by the Fund is to provide the financing required by individuals or companies that present innovative ideas, but are facing challenges in receiving funding from traditional finance channels. The Fund will provide financing, in addition to credit and regulatory facilities to ongoing projects. MoF will receive funding applications, and will sort and evaluate them based on the approved facilities terms. This will allow it to support the UAE's creative environment and to build a solid foundation for



Message



HH

Obaid Humaid Al Tayer

Minister of State for Financial Affairs

2015 was the year of innovation in the United Arab of Emirates and the Ministry of Finance supported that initiative by launching the 'Sheikh Mohammed bin Rashid Al Maktoum Fund to Finance Innovation'. The Fund aims to support the UAE's policy in the science, technology and innovation sectors. This has provided the basis for the implementation of 100 national initiatives in education, health, renewable energy, transport, space and water with a total investment of over AED 300 billion.

MoF has received positive responses from various federal government entities with regards to implementing the innovation policy and providing ideas that contribute to the enhancement of services to improve customer experience. Within a record time last year, MoF developed new channels to provide the funding required for different innovative projects. The channels are in line with best international practices and support the government's directives in this area.

Through its strategic work approach, MoF saw the launch of 'Sheikh Mohammed bin Rashid Al Maktoum Fund to Finance Innovation' as a new challenge. It ensured, through its management mechanism, that the Fund become a platform that provides financial solutions to innovators from various sectors and levels within UAE, in addition to supporting them to transform their innovations and ideas into material projects that contribute to the National Innovation Strategy and the UAE vision 2021.

MoF has assigned the task of reviewing funding applications to a special committee which includes a distinguished group of experts and specialists for various innovation projects. Funding will be provided to projects locally and internationally. The committee was created to achieve the main objective of the Fund's establishment, which is to support innovators within the UAE and to bridge the finance gap for creative projects through offering the required guarantees and by facilitating funding. This funding is usually provided at a considerable cost from the financial institutions and private sector within the UAE.

At MoF, we are optimistic about the future, under the leadership of HH Sheikh Hamdan bin Rashid Al Maktoum, Minister of Finance, and look forward to the announcement of the Fund's first experiment phase during H1of 2016, in collaboration with distinguished partners from both the public and private sectors. This will be followed by the full launch of the Fund's operations within the second half of 2016.



Message



HH

Younis Haji Al Khoori

Undersecretary of MoF

The United Arab of Emirates has established a new era of government work in several fields, where it has set a solid place for itself, as a result, on a regional and international level. MoF's work over the past year has contributed in shifting stereotypes and perceptions about the public sector. We have incorporated smart and e-services in our operations, in line with the UAE's mission to build a smart government in the beginning of the second millennium. We are now amongst the smartest and most creative governments, which is a great achievement for our nation. The success of these initiatives, which were launched by our wise leadership, was achieved through the commitment our nation, and the strong belief of its leaders and its people in the importance of change and of attaining excellence, particularly in areas that have a positive and direct outcome on lives and work environments.

At the Ministry of Finance, we have never been followers. On the contrary, we have always led efforts to provide effective contributions to the community and to support our leaders' plans. We are keen to produce and develop e-government financial work systems and transform them to outstanding, specialised smart services. We want to support the internal and external creative initiatives of the private and public sector through the 'Sheikh Mohammed bin Rashid Al Maktoum Fund to Finance Innovation', which has a working capital of AED 2 billion.

We collaborated with our partners to establish the executional mechanisms of the Fund and to ensure that the projects nominated present unique and creative ideas in the following fields: technical, operational, products, services or projects, as long they are registered as intellectual property and have completed the basic establishment phase. The support provided is available for all individuals, UAE nationals, residents or registered companies, regardless of operational or commercial, geographical location. Applicants should provide a long-term working plan, along with a feasibility study of their projects, to receive the appropriate funding.

MoF has worked to provide all private and public entities with solid e-services to support business performance and encourage creativity at all levels. We have also established a new partnerships and collaborations with universities and academic institutions. This aims to develop specialised researches centres to advance creative initiatives and increase its direct benefits for society.

We reiterate MoF's commitment to support the 'Reading Year' initiative within the Ministry and the remaining federal government entities. We believe this initiative will support and consolidate our unique community values and commitment to advance the skills of employees.

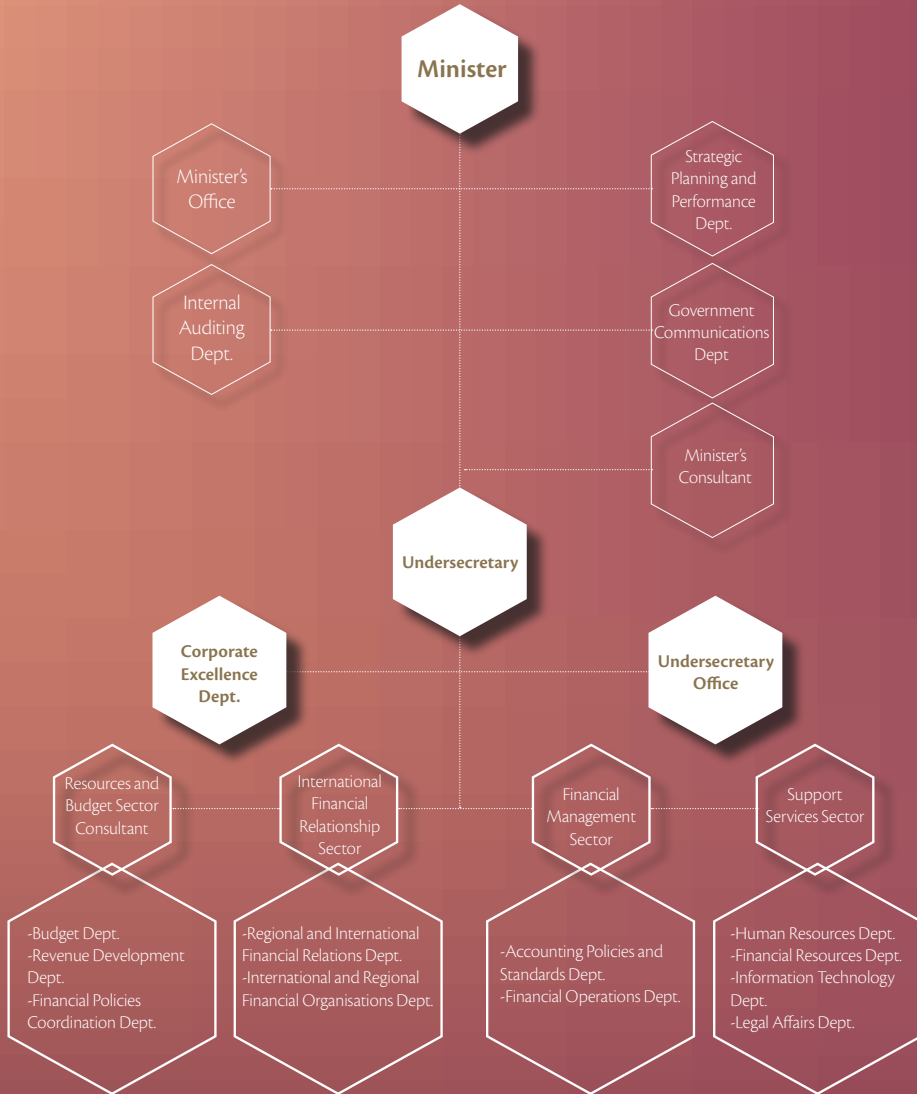




ABOUT MOF



Organisational Structure





MoF's responsibilities and competencies

The Ministry is committed to fulfilling the responsibilities entrusted to it, as per the Federal Law No.1 for 1972 (and its amendments), which stipulates the Ministry's functions and competencies, as well as the UAE Cabinet's Decision No. 3 for 2009 on the organisational structure of MoF:



1

Preparing UAE fiscal policies in coordination with the relevant authorities from the financial sector

2

Developing and diversifying the federal government's financial resources

3

Establishing and implementing processes for the federal budget

4

Developing and managing the federal government's financial systems

5

Concluding international agreements with regards to financial affairs with other countries

6

Organising government procurement, government's assets and housing arrangements for government staff

7

Representing the UAE in development funds and institutions as well as in international financial organisations

8

Implementing the requirements of the Unified Economic Agreement between GCC countries



Leadership councils and committees



External councils and committees:

1. Financial and Economic Committee

It is a ministerial committee established by the UAE Cabinet's decision No. 2 for 2005 to study and coordinate issues related to the general budget of the federal government. The committee is also responsible for the promotion of government financial performance and economic relations with various countries and economic blocs.

Some of the committee's most prominent achievements for 2015 include

Approval of the draft budget of 2016, with revenues and expenses at AED 48,557.0 million, and raising the draft budget's balance without deficit.

Approval of additional funds for the federal fiscal year 2015 with a total value of AED 1077.7 million dirhams.

1. Government Financial Policy Co-ordination Council



The council based upon the UAE Cabinet's decision in 2008, and was restructured upon the council's decision No. (24) 2015. It is headed by the Undersecretary of the Ministry of Finance and council members and includes representatives from local governments and the UAE Central Bank. The Council works to unify the government's financial policies and collects data for financial reports on a national level. MoF holds the position of Secretariat of this Council and is in charge of implementing its decisions.

Some of the council's most prominent achievements for 2015 include

Issuing the 2014 Consolidated Financial Report of the UAE

Adopting and supporting the implementation of the 2014 Federal Government Finance Statistics Manual and monitoring its application

Supporting the public sector classification initiative in line with the Government Finance Statistics Manual 2014

The UAE was ranked in first place globally in the 'Public Finance Policies' category

Adopting the financial coordination initiative for health and education expenditures, and experts from IMF were hosted for this purpose

Connecting the federal financial system with those in Sharjah, Ras Al Khaimah and Fujairah

Implementing the US Foreign Account Tax Compliance Act (FATCA)

Internal councils and committees:

1. Ministry's Senior Leadership Team

The leadership team was established based on the Minister of Finance's decision and is headed by HE Obaid Humaid Al Tayer, Minister of State for Financial Affairs. Its members include the Undersecretary of MoF and assistant undersecretaries.

Some of the team's most prominent achievements for 2015 include

Adopting 21 laws for the financial, banking and tax sectors 

Adopting the Ministry's strategic direction for 2017-2021 

Adopting MoF's 2016 budget 

Adopting the new organisational structure for MoF 

Adopting the areas of jurisdiction on a ministry-wide level 

2. MoF's Performance Committee

The Performance Committee was established based on the Minister of Finance's decision and is headed by HE Obaid Humaid Al Tayer, Minister of State for Financial Affairs. Members include Undersecretary of MoF, assistant undersecretaries, and department and initiative managers. The committee is responsible for monitoring the strategic, operational, services and employee performances. The strategic planning and performance department is the committee's secretariat and is responsible for implementing its decisions and proposals.



Some of the committee's most prominent achievements for 2015 include

Preparing and implementing initiatives as well as KPIs of the Ministry's operational plan of 2015

Approving MoF's Annual Report for 2015

Assessing the performance of Ministry departments and organisational units, according to the Balanced Scorecard metrics for 2015



Adopting the results of operational initiatives and work teams for 2015



Adopting the performance reports for the 2015 strategic and operational plan



Adopting the performance reports on operations and services for 2015



Honouring winners of HH Sheikh Mohammed bin Rashid Al Maktoum Business Excellence Award 2014



Adopting the 2015 record of risks to departments and organisational units, according to the ISO 31000 risk management system



Adopting the submission plan for the 2015 excellence awards



Forming work groups to follow up on the main criteria of the fourth generation of government excellence system, adopting action plan according to the results of the Mohammed bin Rashid Award for Excellence in



Organising council meeting dates for 2016



3. Human Resources Committee

The human resources committee was established following a decision by the Minister of Finance, and is headed by HE the Undersecretary of the Ministry of Finance. The committee includes assistant undersecretaries and the director of the Human Resources Department. This committee is responsible for all activities related to human resources such as training and planning promotions and appointments, as well as increments. The Human Resources department holds the committee's secretariat position and is responsible for implementing its decisions and proposals.

Some of the committee's most prominent achievements for 2015 include





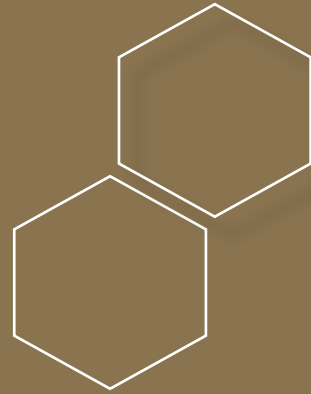
Perspectives and Opinions



HH

Mubarak Rashid Al Mansouri

UAE Central Bank Governor



Over the past few years, the relations between the UAE Central Bank and the Ministry of Finance has been characterized by stronger cooperation and coordination, as well as providing the best consultation services to achieve the UAE's best interests.

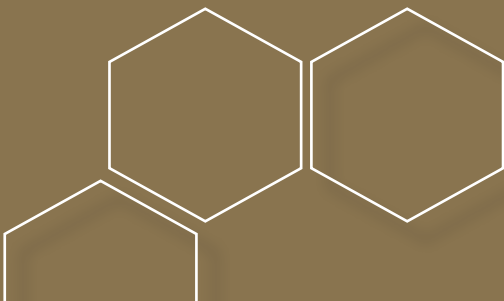
as highlighting the most significant achievements recorded over the past few years. In collaboration with the UAE's Central Bank MoF also organised a reception for UAE banks in which ten different national banks participated.

During 2015, we continued to work with the Ministry on the IMF's mission Article IV consultations; where HE Obaid Humaid Al Tayer, Minister of State for Financial Affairs, headed the concluding meeting that was held to discuss the terms of the report. This report is significant as it highlights the economic, monetary and banking developments within the UAE.

Furthermore, MoF, the UAE Central Bank, as well as finance departments continued to participate in the Government Financial Policy Coordination Council's quarterly meeting, which aimed to address key issues in maintaining financial stability. It is essential to note the importance of the role played by finance departments to activate the cooperation with MoF and the valuable efforts which are being made daily to ensure the success of the Council's role, specifically in terms of linking financial systems to that of Emirates Gate of GFS reports system.

Both parties also coordinated to participate in the annual meetings of World Bank Group (WBG) and International Monetary Fund (IMF), which were held in Peru from October 9-11, 2015. The meetings provided a platform for finance leaders, giving us the opportunity to shed light on the role and importance of the UAE's banking and financial sectors, as well

Moving forward, we are keen to promote further cooperation in exchanging data and statistics to support the coordination between the two entities.







Chapter 1: Innovation and Smart Services



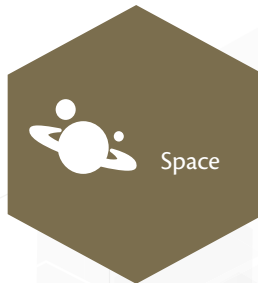
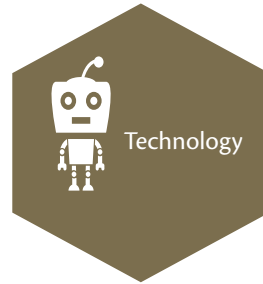
Innovation at the Ministry of Finance

HH Sheikh Khalifa bin Zayed Al Nahyan, President of the UAE announced 2015 as year of innovation, and HH Sheikh Mohammed bin Rashid Al Maktoum launched the National Innovation Strategy. These initiatives form a modern change in the government's work mechanisms and methods.



Federal government entities, and specifically the Ministry of Finance, were keen to adopt the innovation programmes and mechanisms that support government work environment and to support the establishment of the Mohammed bin Rashid Centre for Government Innovation. Federal entities also introduced a new position, "CEO of Innovation".

Sectors driving innovation



Pioneers of innovation



Innovators

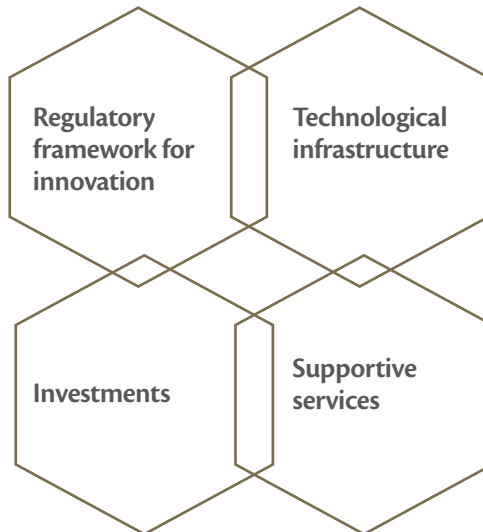


Innovative
companies and
organisations



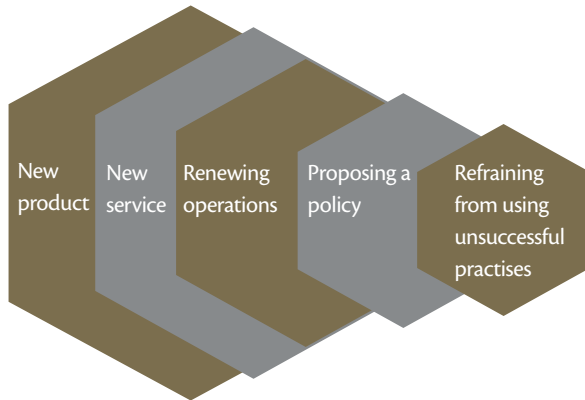
Innovative
government

Supportive environment for innovation



What is innovative government

The Government of Innovation is represented as follows



Key to innovative government success

Continuous development

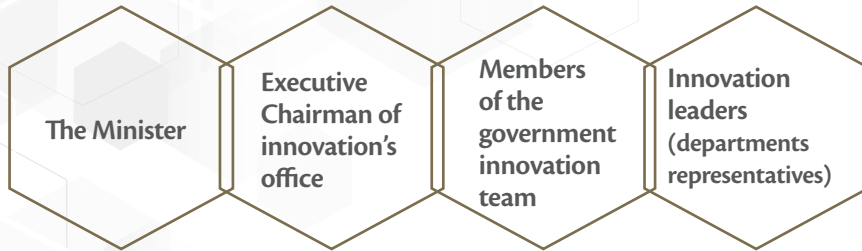
Looking at government services from a beneficiary's perspective

Integrating new ideas in operations and systems that are already running

Individuals adopting the concept of innovation and implementing it in their work

Organisational Unit for Innovation at the Ministry:

This was formed based on the UAE Cabinet's decision 261 for 2015 on creating a new post of Executive Chairman of Innovation and a specialised team at the Ministry. The Executive Chairman of innovation and the specialised team are under the supervision of HE the Minister of State for Financial Affairs.



As per UAE Cabinet decision, the task entrusted to the Executive Chairman of Innovation are as follows:

1. Promoting a culture of innovation at the Ministry, and incorporating innovation in daily work
2. Managing and monitoring the Ministry's initiative which falls within the framework of the national innovative strategy
3. Developing innovation projects at the Ministry in coordination with the Institutional Development Department
4. Raising periodical reports to the Minister on MoF's innovative efforts
5. Coordinating with the Mohammed Bin Rashid Centre for Government Innovation to implement methodologies and tools for innovation at the Ministry
6. Measuring and analysing innovative results at the Ministry

Innovation Leaders are entrusted with the following tasks:

1. Coordinating with the government's innovation team on the requirements to implement plans and programmes to promote a culture of creativity
2. Providing the necessary requirements from their departments to aid in work
3. Communication with the government innovation team on any inquiry
4. Taking part in the preparations for activities at the Ministry and government levels, as representatives of their departments
5. Attending introductory workshops and programmes to transfer knowledge to their departments

National Innovation Committee (NIC)

This was established as per the UAE Cabinet's decision to form a national innovation committee, mandated to implement the National Innovation Strategy. This strategy aims to establish the UAE as one of the most innovative nations in the world within seven years in the run up to the UAE's Golden Jubilee in 2021.

As member of NIC, the Ministry presented four distinctive innovative initiatives including, the Sheikh Mohammed bin Rashid Al Maktoum Fund to finance innovation, methods to manage the federal budget, the government innovation diploma and MoF's innovation plan.

📦 The Sheikh Mohammed bin Rashid Al Maktoum Fund to finance innovation

The Ministry launched the Sheikh Mohammed bin Rashid Al Maktoum Fund to finance innovation. The Fund, worth AED 2 billion, will provide opportunities for individuals and companies registered in the country who are presenting innovative techniques, processes, products or unique services.



The Fund's objectives

The Sheikh Mohammed bin Rashid Al Maktoum Fund to finance innovation was launched to meet a set of short term and long term strategic objectives, which can be summarised as providing a suitable environment and supportive economy for innovation. These objectives include:

Financing innovative ideas that have commercial potential



Providing financing, credit and regulatory facilities for the list of projects that need funding



Creating a supportive and integrated environment for innovation through the collaboration of various financial institutions and funding entities within the UAE



Enhancing funding opportunities by providing reasonable options to entrepreneurs and innovators



Providing entrepreneurs and innovators with guaranteed access to commercial loans required to finance their projects



The Fund's strategy

In line with its institutional work strategy, the Ministry was keen to conduct a number of studies to identify the best ways to support innovative projects and maintain their effectiveness for community service. The study showed that there was a need to launch a specialised corporate entity to finance creative ideas and support innovation across different fields. This is in line with the UAE government's ambitious plans.

The Ministry of Finance has considered two main phases for the development of the Fund. The pilot phase will be launched during the first half of 2016 with the participation of individuals and companies from various sectors. This will be followed by the official launch of the Fund's operations in the second half of 2016.

The Fund's criteria for financing innovation

Studying and evaluating all funding requests for further discussion with a group of experts in respective areas, to determine the effectiveness and practicality of each project

Complying with the standards set by the Fund in terms of nature of the innovative ideas and the commercial aspects related to transforming these ideas into successful projects

Specifying the fee on each individual request

Federal Budget Department

This initiative aims to promote innovation in federal entities to support the national innovation strategy for government funding. This can be achieved through creating unique mechanisms to assess and analyse the costs of innovation projects and to allocate financial resources to achieve them.

The UAE cabinet issued a decision No. 220 / and 8/28 of the 2015 Session (8) and a circular No.12 for 2015, to allocate a percentage of the overall general federal budget and the budgets of independent federal entities to support innovation in the federal government sector.

This initiative allocates 1% from groups 21 and 22 of the general federal budget and of that of federal independent entities, after excluding special funds allocated for subsidies, grants and projects under process as well as financial investments, to support innovation in the federal government sector. The resulting amount is divided into two categories:

First category: 79% of the total allocated amount to finance innovation plans in government entities

Second category: 21% of the total allocated amount to finance innovation projects in government entities

Government Innovation Diploma

The Ministry seeks to place two of its employees in a government innovation diploma programme. The programme is offered by the Mohammed bin Rashid Centre for Government Innovation in collaboration with the University of Cambridge, UK. The programme aims to:

Transfer knowledge through innovation tools and mechanisms



Implement a plan to spread a culture of innovation



Regularly provide information on directions from the Prime Minister's Office



Implement the Ministry's initiatives in the National Committee for Innovation



Innovation Plan

This initiative aims to implement a strategic goal within federal entity plans to spread innovation awareness. The Ministry has set a specific goal: 'entrench a culture of innovation in institutional work environment'. This includes three initiatives:

Preparing and qualifying employees in the field of innovation



Managing and adopting tools and means of innovation



Managing and developing a work environment which supports and stimulates innovation














Smart services

In response to the smart government initiative launched by HH Sheikh Mohammed bin Rashid Al Maktoum, UAE Vice President and Prime Minister and Ruler of Dubai; the Ministry was committed to implement an initiative specialised in the smart and electronic shift in its services ('Smart shift initiative') to support the Ministry's efforts in managing the transition process in systematic way and according to a specific timetable.

The main elements of the initiative






2015



-  **Electronic shift**
-  **Smart Government's abilities**
-  **Modernising the website**
-  **Media plan**
-  **Smart shift**

2016



-  **Electronic shift**
-  **Smart Government's abilities**
-  **Modernising the website**
-  **Media plan**
-  **Smart shift**



High priority



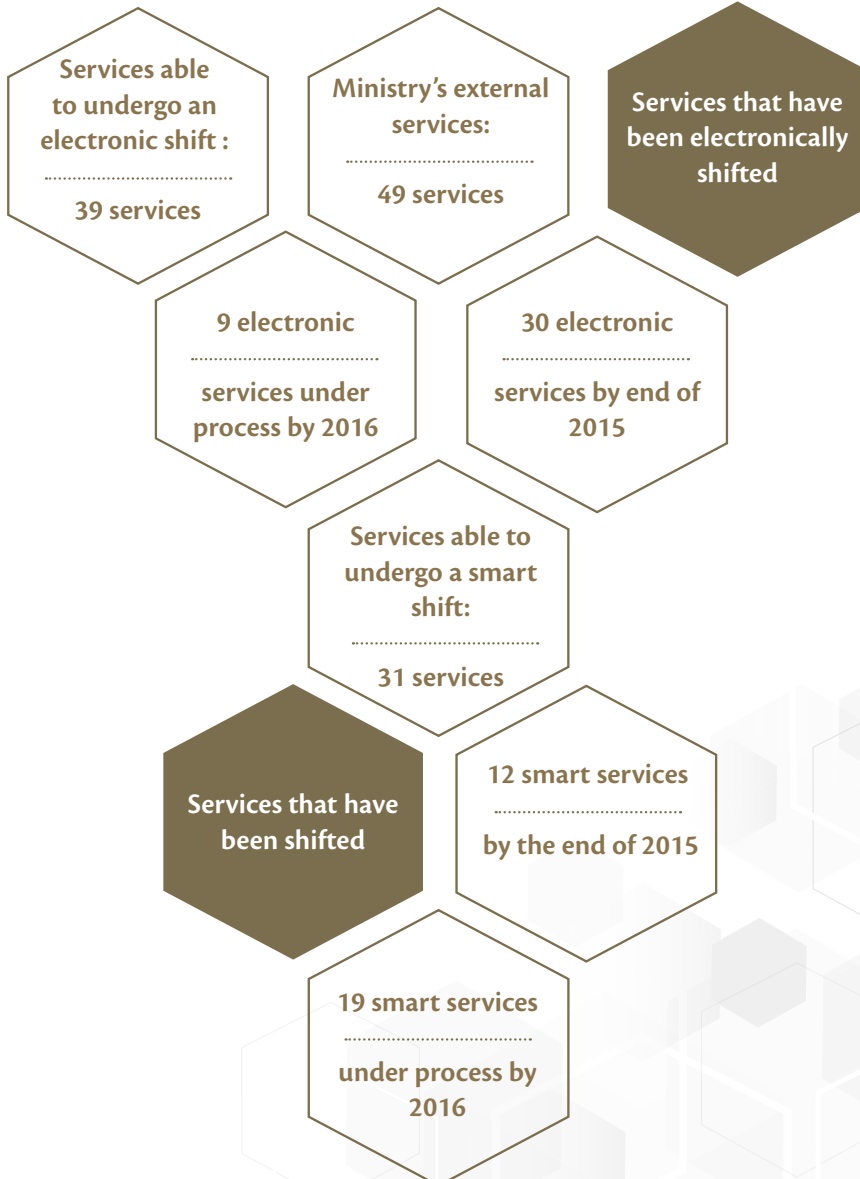
Medium priority



Low priority

Smart and electronic shift

The table below displays the Ministry's external services inventory, its ability to shift to smart and electronic services in addition to the percentage of completion.



The Ministry's most prominent electronic systems for 2015



Government Sector

Issuing Tax Domicile Certificate
Responding to customers' inquiries
Responding to customers' complaints
Responding to customers' suggestions
Issuing and publishing statistical reports on the GCC's economic integration
Preparing and adopting federal government revenue forecasts
Renewing and adopting federal government revenue forecasts
Collecting federal government revenue
Controlling federal government revenue
Submitting revenue collection tools for the federal government
Substituting revenue collection tools for federal entities
Preparing and adopting draft budgets for federal entities
Budget allocation across different sections and programmes
Transferring third party revenues through the e-Dirham system
Adding new fees for e-Dirham services
Utilising app requests for linking the e-Dirham system in concerned authorities
Providing technical accounting support for federal entities
Providing technical support to users of federal financial systems
Training federal entity specialists on the implementation of procedures and regulations
Adjusting financial payments of federal entities
Preparing and submitting the federal government final account
Issuing periodical financial reports to follow up on the implementation of the budget
Payment of the federal government's financial obligations
Opening a zero-balance account (ZBA) for independent federal bodies
Opening accounts in banks operating within the country
Adopting the app or link to financial systems in federal entities



Government Sector

- Amending financial procedures within the e-systems
- Granting authority to use financial systems of federal entities
- Issuing and publishing the general federal budget
- Requests to impose, modify or exempt fees
- Exemption from all or most entitlements or debt payments
- Providing revenues to customers
- Issuing and providing guiding evidence for procedures and systems of the federal government
- Providing licenses to operational systems and basic programmes of the federal government
- Renewing licenses of operating systems and basic programmes of the federal government



Private Sector

- Responding to complaints on Gulf economic integration
- Responding to inquiries on Gulf economic integration
- Responding to suggestions on Gulf economic integration
- Issuing tax domicile certificates
- Responding to customer inquiries
- Responding to customer complaints
- Responding to customer suggestions
- Issuing and publishing statistical reports on GCC economic integration



Individuals

- Registering suppliers in the federal register of suppliers
- Renewing registration of suppliers in the federal register of suppliers
- Deciding on suppliers grievances
- Responding to complaints on Gulf economic integration
- Responding to inquiries on Gulf economic integration
- Responding to suggestions on Gulf economic integration
- Issuing tax domicile certificates
- Responding to customer inquiries
- Responding to customer complaints
- Responding to customer suggestions
- Issuing and publishing statistical reports on the Gulf economic integration

The Ministry's most prominent smart services for 2015



Government Sector

- Issuing Tax Domicile Certificate
- Responding to customer inquiries



Private Sector

- Responding to complaints on Gulf economic integration
- Responding to inquiries on Gulf economic integration
- Responding to inquiries on Gulf economic integration
- Issuing tax domicile certificates
- Responding to customer inquiries



Individuals

Responding to complaints on Gulf economic integration

Responding to inquiries on Gulf economic integration

Responding to inquiries on Gulf economic integration

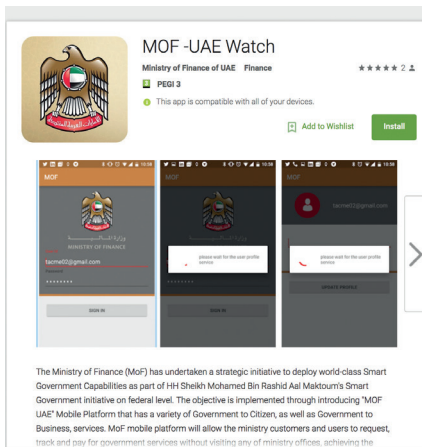
Issuing tax domicile certificates

Responding to customer inquiries

Ministry's smartphone apps

- The Ministry's smartphone app offers eight services for individuals, the private sector and the government sector
- The number of users of the smart phone app 'UAE MOF' reached 2,974 in 2015
- The Ministry is currently working on developing 4 new services for individuals and the private sector in 2016
- The Ministry is currently working on developing 14 new services for the government sector
- The list of the Ministry's smartphone services include:

App available on Android:



https://play.google.com/store/apps/details?id=ae.gov.mof_e_dirham&hl=en

App available on IOS :



<https://itunes.apple.com/us/app/mof-uae-2015+-watch/id998444503?mt=8>

Smartwatch App

The Ministry app is suitable for various smart watches and offers various services including, issuing tax domicile certificates, gulf economic integration services, among others. The app's characteristics include:

1. E-payment of services fees, the Ministry is considered as the first entity worldwide to use this technology
2. Possibility of using voice commands to complete transactions, to allow customers to complete services in a feasible and in a timely manner
3. Displaying control panels (Dashboards) and access to open data published by the Ministry
4. The possibility of receiving transactions alert and follow up phases of delivery as well as status of applications
5. The possibility of browsing through the Ministry's news
6. The possibility of communicating with the Ministry through the available means of communication
7. The Ministry's app is available in Arabic and English around the clock

App available on Android:



https://play.google.com/store/apps/details?id=ae.gov.mof_e_dirham&hl=en

App available on IOS :



<https://itunes.apple.com/us/app/mof-uae-2015-+-watch/id998444503?mt=8>





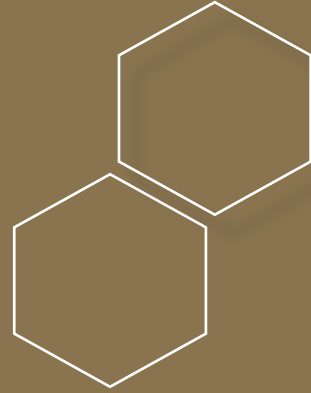
Perspectives and Opinions



HH

Abdulrahman Saleh Al Saleh

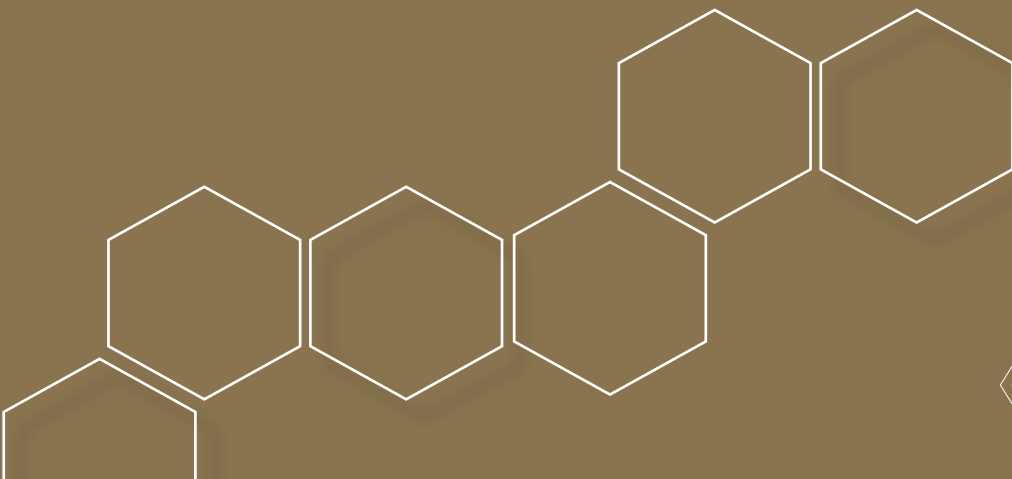
Director General of the Department Of Finance of the
Emirate of Dubai



There is no doubt that MoF has had continuous successes in managing federal financial affairs and in developing and sustaining the financial resources of the federal government under the leadership of HH Sheikh Hamdan bin Rashid Al Maktoum, Deputy Ruler of Dubai and the UAE Minister of Finance. This positioned MoF as a role model in strategic financial planning efficiency, wise execution of public budgets and a leader in the development of financial work systems.

MoF's accomplishments reflect its growth and creativity in managing government financial resources of several departments, ministries and financial institutions on local and international levels. MoF established a foundation for financial work through developing efficient financial policies and remarkable local and international relations. Its aim is to maintain and preserve a financial system that operates according to best practices.

At the Department of Finance- Dubai, we are keen to consolidate our collaboration with MoF to enhance knowledge transfer between our two parties. We look forward to sharing experiences and work models with one another. This will ensure the enhancement of legislation and fiscal policies at the local and federal levels and will establish a competitive national economic environment that consolidates the UAE's position regionally and internationally.







Chapter 2: Strategy



Chapter 2: strategic

Vision

To be a world-leading Ministry in financial management in order to achieve a sustainable competitive environment in the UAE

Mission

To manage and develop the federal government's financial resources efficiently and creatively through effective financial policies and solid national and international relations in order to protect and safeguard the UAE's financial systems in accordance with best practices

Values

The Ministry of Finance is committed to five core values, which guide us as we strive to achieve the goals of our strategic plan

● **Teamwork spirit:** As one team, we all work together and achieve our strategic objectives

● **Innovation and excellence:** We excel in our work and overcome any challenges in creative ways

● **High professionalism:** we pride ourselves on several qualities including integrity, objectivity, appreciation, openness and we seek to develop ourselves and support each other on an ongoing basis

● **Transparency:** we work in a clear and responsible manner to promote our interests and employee motivation

● **Social responsibilities:** We are committed to fulfilling our social and environmental responsibilities in order to support sustainable development

⬡ Performance as per the strategic objectives

1

First strategic objective: developing and ensuring sustainability of the federal government's financial resources

2

Second strategic objective: raising the effectiveness of financial planning and implementing the general federal budget

3

Third strategic objective: improving the efficiency and effectiveness of the federal government's financial systems

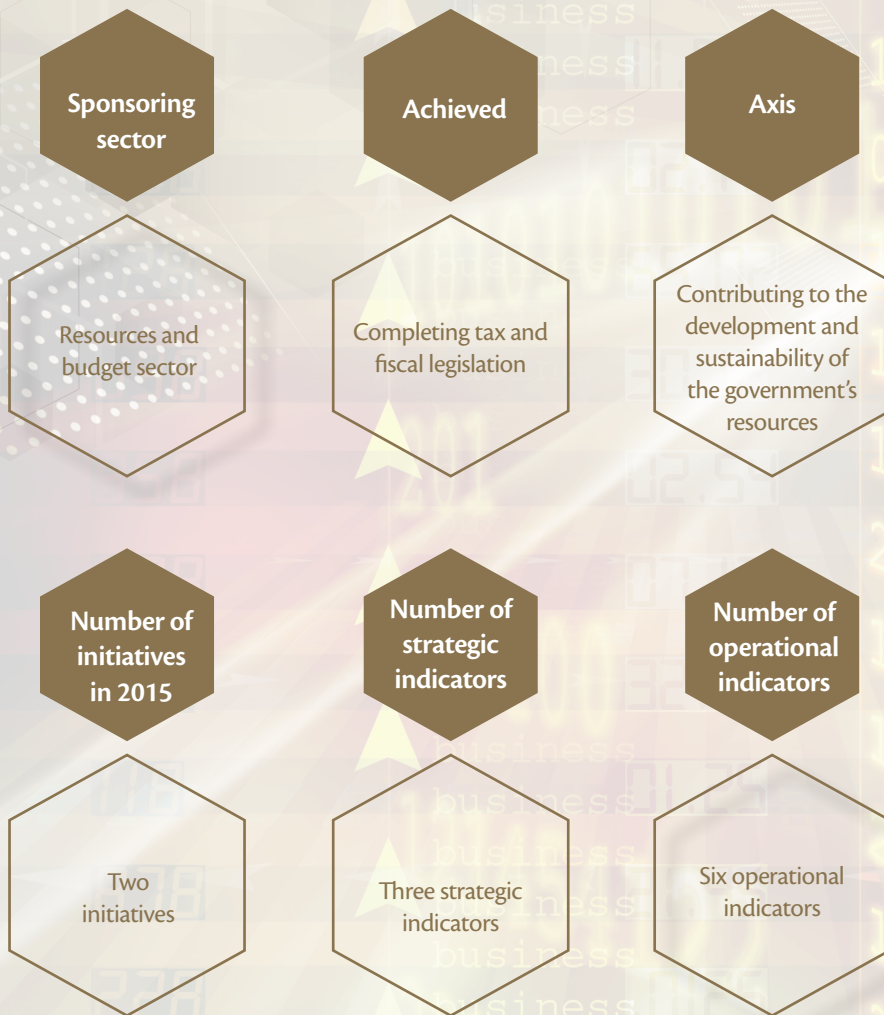
4

Fourth strategic objective: updating fiscal legislations and policies and enhancing the UAE's competitive environment

5

Fifth strategic objective: enhancing the UAE's financial position regionally and internationally

○ **First strategic objective: Developing and ensuring sustainability of the federal government's financial resources**



The Ministry of Finance is considered as a pioneer in the field of financial planning and implementation of the state's budget, due to their implementation of an accrual basis accounting system; development of an efficient federal government cash management system; and implementation of a zero-based budgeting system.

Operational and strategic performance indicators 2015								
No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
1	Developing and diversifying sources of federal government revenue	100%	89.6%	1	Ratio of achieved to estimated revenue	Strategic	100%	93.96%
				2	Expected increase in federal government's revenue from suggested resources	Strategic	9%	0%
				3	Number of proposed entities to reconsider their service fees and impose new ones	Operational	4	6
				4	Number of studied revenue sources	Operational	2	2
				5	Expected increase of service fee revenues	Operational	1%	4%
				6	Surplus collection rate of independent federal entities in 2015	Operational	100%	109%
				7	Rate of telecommunications companies committed to implement the requirements on the rights of franchise	Operational	100%	100%
				8	Coverage of current revenue resources according to best practices	Strategic	100%	100%
2	Completing procedures related to establishes tax system	99.30%	89.2%	8	Economic impact studies on direct and indirect tax	Operational	100%	100%

The achievements of the first strategic objective during 2015

UAE Cabinet's resolutions with regards to:

- Modifying service fees for e-dirham services and cards
- National Qualification Authority service fees
- Ministry of Economy service fees
- Ministry of Public works service fees
- Introducing service fees for the Ministry of Justice with regards to building expertise in the judicial authority and the translation profession
- Funding cash deficit to implement the general federal budget
- Administrative fines imposed for violating licensing terms issued by the Federal Authority for Nuclear Regulation
- Fees for services pertaining to quality standards and the Emirates Quality Mark
- Conformity assessment monitoring service fees
- Amending the General Civil Aviation Authority service fees
- The Ministry of Social Affairs services fees and fines
- Ministry of Health service fees
- Reintroducing media service fees in the Media Free Zone areas, which was included in the UAE Cabinet's resolution No. 12 in 2013

Preparing a mandatory study regarding insurance policy on foreign cars entering the UAE

Settling any of the federal government's outstanding debt , which is older than five years

Implementing franchise fees on telecommunication companies in the country

Participating in a number of regional and international meetings, which included:

- ❑ The first GCC tax committee meeting in Riyadh
- ❑ Central Bank of Kuwait Conference “Islamic Finance: Meeting Global Aspirations”
- ❑ Joint technical team meeting in Muscat between the UAE and Oman’s Ministries of Finance
- ❑ Preparatory meeting for the first committee meeting regarding various tax topics in Riyadh
- ❑ The 12th technical conference of the Union of Taxation Authorities in Islamic Countries
- ❑ Third joint meeting of the unified tax system team and the legal team in GCC countries to discuss the unified agreement draft on GCC VAT
- ❑ Annual inter-country meeting to implement international agreement terms to control tobacco in Cairo



Initiative: Developing and diversifying sources of federal government revenue

The process of developing and diversifying the sources of federal government revenue is considered one of the Ministry's most prominent tasks, where it is always keen to review budget revenue resources periodically. This is especially true for government service fees, which are continuously reviewed and updated according to international practice and in line with its quality standards.

Achieved results in 2015	Objectives measured by the indicator
Actual achieved revenues for the federal budget to estimated rate- 94%	According to three revenue groups that include: service fees, investments and local UAE government contributions
Announcing VAT implementation as suggested revenue source	Determining expected revenue based on studying new revenue sources
Adopting six memorandums out the suggested four	Amending and updating federal entities' service fees according to economic and social conditions and covering the costs of provided services
A number of new revenue sources have been studied and in the process of implementing 3 of them	Determining new revenue sources to diversify income
A rate of 4% has been achieved in service fee revenues	Measuring the annual growth rate in revenues from service fees
More than 109% estimated financial surplus has been collected	Financial surplus from independent entities after adopting its closing statements
Franchise fees have been paid to the federal government based on relevant decisions and proposals	Franchise fees paid to the federal government yearly based on the calculation mechanism adopted by UAE Cabinet
Government revenue sources covers all IMF suggested sources	Government revenue sources in line with IMF suggested sources

Strategic indicators

Ratio of achieved to estimated revenue

Expected increase in federal government revenues from suggested resources

Number of proposed entities to reconsider their service fees and impose new fees

Number of considered revenue sources

Expected increase of service fee revenues

Surplus collection rate of independent federal entities in 2015 compared to the year-end 2014

Rate of telecommunications companies committed to implement the requirements on the rights of franchise

Coverage of current revenue resources according to best practices

⬡ **Second strategic objective: Raising the effectiveness of financial planning and implementing the general federal budget.**

Key Sectors

- Resources and Budget sector
- Financial Management sector

Current Status

Financial capacity and implementation of the general federal budget

Pillar

Efficiency of financial planning and execution of the state's budget

Number of initiatives in 2015

5 Initiatives

Number of strategic indicators

4 Strategic Indicators

Number of operational indicators

22 Operational Indicators



The Ministry of Finance is considered as a pioneer in the field of financial planning and implementation of the state's budget, due to their implementation of an accrual basis accounting system; development of an efficient federal government cash management system; and implementation of a zero-based budgeting system.

Strategic and Operational Performance Indicators 2015								
No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
1	Raising the efficiency of monitoring the implementation of budget mechanisms	100%	94.6%	1	Accuracy in financial planning of federal government expenses	Strategic	95%	138.90%
				2	Accuracy in budget preparation	Strategic	5	1.5
				3	Achieved rate for delivering the federal government's consolidated accounts and the draft law in a timely manner	Operational	100%	100%
				4	Comprehensive financial reporting requirements for the implementation of the general federal budget	Operational	75%	76%
				5	Number of financial reports to monitor the implementation of the budget and inform the Ministry's senior management of updates	Operational	4	4
				6	Number of financial reports to monitor the implementation of the general federal budget	Operational	1	1

Strategic and Operational Performance Indicators 2015

No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
2	Developing the efficiency and effectiveness of the federal government's financial management system	100%	84.9%	7	Completion rate of adopting an electronic cash management system	Operational	100%	100%
				8	Completion rate of automating financial reports in the electronic cash management system	Operational	100%	100%
				9	Completion rate of automating bank settlements in the electronic cash management system	Operational	100%	100%
				10	Completion rate of cash payments made by the electronic cash management system	Operational	100%	100%
				11	Number of reports submitted to senior management on the federal government's financial position	Operational	4	4
				12	Completion rate of including the rules and regulations of the cash management system in the consolidated financial procedures	Operational	100%	100%

Strategic and Operational Performance Indicators 2015

No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
3	Preparation of the general federal budget for the fiscal year 2016	100%	90.3%	13	Balance between the income and	Strategic	100%	100%
				14	Number of financial planning studies	Operational	6	6
				15	Completion rate of preparing the 2015 general federal budget and its draft law	Operational	100%	100%
				16	The difference between approved budget expenditures for 2016 and incoming expenditures from federal authorities	Operational	5%	7%
				17	The increase registered between the approved revenue for 2016's budget and the revenue presented to the Cabinet	Operational	7%	4.30%
				18	Satisfaction rate of federal entities with regards to financial planning and the preparation of the general federal budget	Operational	80%	85.80%

Strategic and Operational Performance Indicators 2015

No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
3	Preparation of the general federal budget for the fiscal year 2016	100%	90.3%	19	The success rate for delivering the results of the report reviewing general federal expenditure to the senior management	Operational	100%	100%
				20	Completion rate of reviewing the application of COFOG on government expenditures	Operational	100%	100%

بشرة الإخبارية لبرنامج التحول أساس الاستحقاق المحاسبي

رقة توعوية دورية العدد الاول ، سبتمبر 2015

الأسباب الرئيسية لبرنامج التحول

جاء قرار تبني برنامج التحول أساس الاستحقاق بناء على التوافق الرئيسية التالية:

1 استناداً إلى المادة 29 من المرسوم بقانون اتحادي رقم 8 لسنة 2011م (تفصيل الإيرادات والمصروفات استناداً لتاريخ نشوء الحق أو الدين بصرف النظر عن التاريخ الذي يتم فيه فعلاً تحصيل الإيرادات ودفع المصروفات)

2 قرار مجلس الوزراء بتحول الحكومة الاتحادية إلى أساس الاستحقاق

3 تماشياً مع متطلبات صندوق النقد الدولي (رفع جميع التقارير المالية على أساس الاستحقاق ابتداء من عام 2018) لزيادة تنافسية دولة الإمارات

يبدأ الطائر يقوم بإطلاق برنامج التحول أساس الاستحقاق



بمن جهود الوزارة لتحقيق أهدافها الإستراتيجية ومنها «رفع فعالية تخطيط المالي وتنفيذ الميزانية العامة للدولة». قام معالي عبيد حميد طاب وزير الدولة للشؤون المالية بإطلاق برنامج التحول إلى أساس

Strategic and Operational Performance Indicators 2015

No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
4	Preparation of the general federal budget 2017-2021 according to the zero-based budgeting system	100%	94.1%	21	Completion rate of the preparation of a draft budget for 2017-2021	Operational	30%	30%
				22	Completion rate of submitting the federal government's forecast revenue for 2017-2021 to senior management	Operational	100%	100%
				23	Coverage ratio of budget preparation requirement in the automation of the procedures	Operational	100%	100%
				24	Accuracy in long-term financial planning	Strategic	92%	95.86%

Strategic and Operational Performance Indicators 2015

No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
5	Transition of the federal government to an accrual basis system	100%	93.7%	25	Completion rate of the transition to accrual accounting	Operational	25%	25%
				26	Completion rate of developing laws, policies and procedures for the transition to an accrual basis system	Operational	100%	100%

برنامج التحول إلى أساس الاستحقاق

1. المتابعة: حول برنامج التحول إلى أساس الاستحقاق -الرجاء اختيار إجابة واحدة لكل سؤال بما تراه مناسباً

#	الأصل	تاريخ	محدد	تاريخ	لا يتحقق	لا يتحقق
1	أنا لذي معرفة كافية بأسباب وأهداف ومراميل برنامج التحول إلى أساس الاستحقاق على المستوى الاتحادي					
2	أنا لذي معرفة كافية بأهم الفروقات بين الضمنية على الأساس النقدي ولأسس الاستحقاق					
3	أنا على ثقة بإمكانية نجاح تطبيق برنامج التحول إلى أساس الاستحقاق في الوزارة أو الهيئة التي أعمل بها					
4	أنا أعتبر أن القدرات الفنية للأفراد العاملين وبتشراك بشكل كافي ومعتاد لدعم برنامج التحول إلى أساس الاستحقاق					
5	أنا على ثقة بأن الموظفين ستكونوا يعملون بشكل جيد مع برنامج التحول من الأساس النقدي إلى أساس الاستحقاق					
6	أنا من الموظفين الراغبين تنفيذ برنامج التحول إلى أساس الاستحقاق على المستوى الاتحادي					
7	أنا أعتبر أن إدارتي هي من الإدارات الفاعلة لتطبيق برنامج التحول إلى أساس الاستحقاق على المستوى الاتحادي					
8	أنا على إدراكية كافية بدوري في دعم برنامج التحول من الأساس النقدي إلى أساس الاستحقاق في الوزارة أو الهيئة التي أعمل بها					
9	أنا أمتلك المعرفة العملية الكافية لدعم تطبيق التحول من الأساس النقدي إلى أساس الضمنية الاستحقاق في الوزارة أو الهيئة التي أعمل بها					
10	الهيئة والإدارة التي أعمل بها هي مؤهلة جازمة لتطبيق التحول من الأساس النقدي إلى أساس الاستحقاق					
11	قد نظمت التدريب اللازم لأفراد في تطبيق برنامج التحول من الأساس النقدي إلى أساس الاستحقاق في مؤسستي					
12	أنا جاهز وقادر على المساهمة في تطبيق برنامج التحول إلى أساس الاستحقاق في مؤسستي					


وزارة المالية
Ministry of Finance

استبيان تقييم برنامج التحول الحكومي من الأساس النقدي إلى أساس الاستحقاق

يهدف هذا الاستبيان إلى تقييم بشكل دوري تقدم خطة تنفيذ برنامج تحول الحكومة الاتحادية في دولة الإمارات العربية المتحدة من الضمنية على الأساس النقدي إلى أساس الاستحقاق واتخاذ الإجراءات التصحيحية المطلوبة بناء على نتائج هذا التقييم

رجاء إجابة على الأسئلة التالية:

نسبة حصة

1	الإدارة			
	القسم	49-40	39-30	29-20
2	الإدارة والقسم	50 فما فوق		
3	الهيئة العمومية			
4	الفرع	كثي	متكر	
5	المستوى الوظيفي	مدير عام نائب مدير	رئيس قسم	مراقب/مفتي
6	أعلى مؤهل علمي	أخرى	كلام تخصصية	بكالوريوس
7	نوع الدراسة والتمتع (إن وجد)	التخصص	دولة الدراسة الجامعية	

The achievements of the second strategic objective during 2015

- Creating a system to provide a raise pertaining to the quality of living for UAE employees working in the diplomatic sphere outside the country; which highlights variations between the Emirati Dirham and other currencies
- Adopting funding for federal universities and colleges for the first semester of the academic year 2015-2014
- Preparing a medium-term draft budget plan
- Preparing the 2014 Consolidated Financial Report of the UAE
- Implementing the draft budget for the fiscal year 2016
- Studying the establishment of a federal fund for innovation
- Issuing a financial performance report for the implementation of the general federal budget and the budgets of independent federal bodies
- Adopting funding for federal universities and colleges for the second semester of the academic year 2014-2015
- Adopting the federal government's consolidated accounts for the fiscal year 2014
- Studying budget projects for ministries and federal agencies for the fiscal year 2016
- Studying the financial impact for the explanatory handbook detailing the rewards programme for federal government employees

Initiative: Preparing the general federal budget for the fiscal year 2016

The aim of this initiative is to prepare the general federal budget for the fiscal year 2016 and coordinate with federal authorities on the preparation, review and approval of the budget in accordance with budgetary controls and legislation of the zero-based budgeting system. The main steps of this initiative includes updating the revenue collected for the 2016 fiscal year; issuing the financial circular for the 2016 fiscal year; preparing and supervising the budget projects of federal entities; studying the upcoming budget projects; in addition to the implementation of the general federal budget.

Most prominent achievements



Raising the draft budget's balance without deficit, with 100% balance between the income and expenses of the federal government



Preparing 8 studies in the field of financial planning



100% completion of planning the 2016 general federal budget and its draft law on time



100% application of the Classification of Functions of Government' (COFOG) system on government expenditures



Most prominent achievements



41.7%

Government affairs



2.7%

Infrastructure and economic development



40.5%

Social development



8.1%

Social benefits



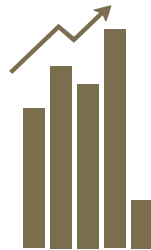
3.3%

Grants and other federal expenses



2.1%

Projects



1.6%

Financial investments

Initiative: the transition of the federal government to an accrual basis system

This initiative supports the gradual transition of the Ministry of Finance to an accrual basis system, as stated in Article 29 of the decree federal law No. 8 for 2011, which is based on the issuance date of incomes or debt regardless of the actual date of debt or incomes collection.

These efforts are not only in line with the International Monetary Fund's requirements to shift all financial reports to an accrual basis system by 2018, but for the Ministry of Finance to become the first country in the GCC to succeed in its application.

What are the benefits of the accrual accounting system?

- Providing a clearer picture of the government's success in managing its financial resources
- Assisting ministries, institutions and federal government entities assess their financial performance and cash flows
- Providing clarity on the financial statements from different years to allow for comparison and analysis
- Enhancing the process for determining the total cost of government services and comparing the costs to those of private and voluntary sectors
- Better evaluation of the government's performance in terms of service fees, their effectiveness and achievements
- Providing more accurate integrated accounting records

The transition phase to an accrual system


The Ministry of Finance has adopted the following phases to make the transition to an accrual basis accounting system according to a study carried out by the Ministry on similar initiatives worldwide:


Legislative phase: The study phase of legislations, fees and current law and its suitability for accrual basis system; while outlining the gaps, re-issued laws and regulations as per best international practices


Execution phase: Executing fixed-asset inventory, federal government employees' evaluation and training projects, etc.


Launch phase: Activating the federal government accrual accounting basis system and providing support


Most prominent achievements


-  Analysing gaps between accounting and financial policies and legislations that are being implemented at a federal level in addition to looking at future financial and accounting standards and current legislations and laws. The analysis has taken into consideration accruals.

-  Finalising accounting standards, based on accrual accounting, for the federal government for the first time since its establishment. This system is based on the latest accounting standards and is followed world-wide. The system has been adjusted to suit the specifics of the UAE.

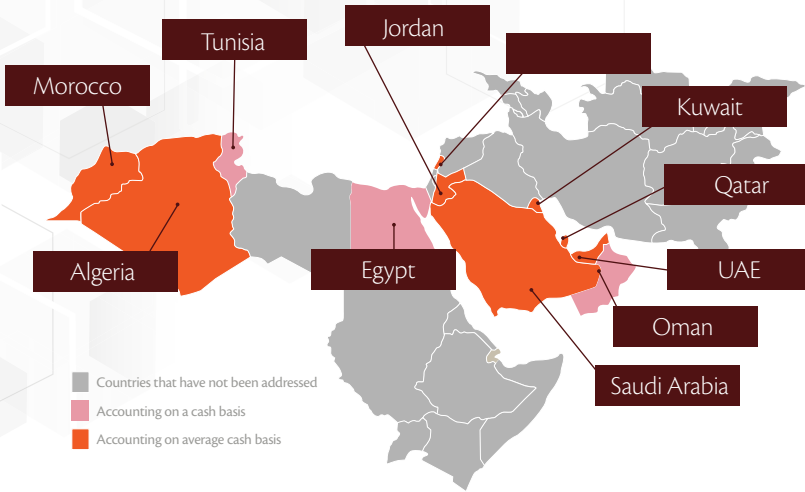
-  Developing financial policies and procedures and new work sessions based on accrual accounting principles and global best practices

-  Beginning to work on a roadmap and list of future projects to transfer current accounting systems to accrual accounting and further enhancing the relevant work plan

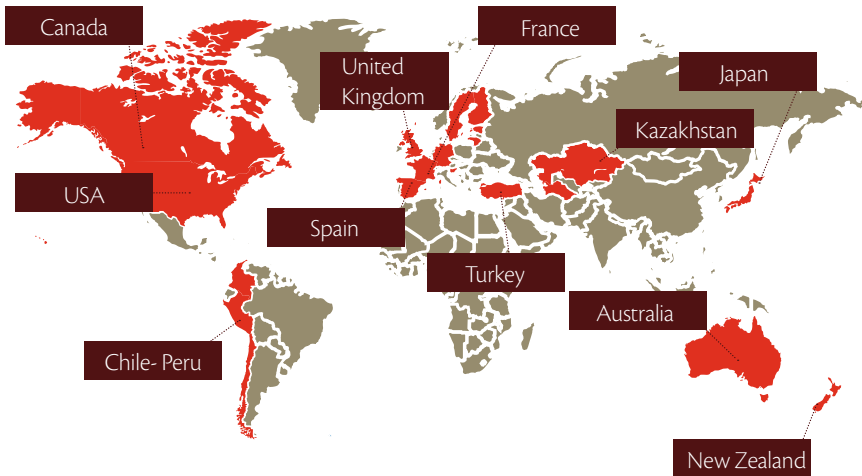
-  Creating a newsletter for the project of transferring current accounting systems to accrual accounting, which serves as an educational tool that is issued every two months on a federal level. The newsletter aims to spread awareness amongst experts and specialists on the advantages and benefits of using an accrual accounting system. The first edition was issued on November 2015.

-  A mass survey was issued to determine preparedness for this change, which aimed to gauge the readiness of various federal entities for the upgrade. The survey measured awareness on the project, knowledge level of the accrual accounting system, readiness to implement change, efficiency and effectiveness of training, support levels for change, and effectiveness of communication activities.

Glance at MENA countries supporting accrual systems



Developed countries successful in implementing accrual basis accounting system



Initiative: Developing an efficient federal government cash management system for 2015

This initiative aims to apply the best practices in the field of cash management on a federal level. It involves the development of effective mechanisms in implementing and supervising the general federal budget, and the adoption of an automated cash management system including financial reports, bank settlements and cash payments.

Prominent achievements



Bank Accounts Inventory:

- Automating inventory of bank statements
- Achieving transparency in all federal entities accounts



Cash and liquidity management:

- Analysis of cash flows and cash availabilities or deficits
- Inquiries about available cash in the ministries and federal agencies' bank accounts



Bank settlements:

- Automating bank settlements



Cash payment management:

- Automating payment approvals



Surplus cash management:

- Confirming bank agreements



Financial reports:

- Extracting financial reports from the system



Banking operations:

- Ensuring banks are abiding by their regulations

Third Strategic Goal: Improving the efficiency and effectiveness of the federal government's financial systems

Key Sectors

-Resources and Budget Sector
-Financial Operations Sector

Current Status

Developing the financial systems of the Federal Government

Pillar

Contributing to improving the efficiency and effectiveness of the financial systems of the federal government

Number of initiatives in 2015

6 Initiatives

Number of strategic indicators

Two strategic indicators

Number of operational indicators

23 operational indicators

The Ministry of Finance is committed to achieving excellence and financial sustainability in all of its operations and financial systems; whereby it was able to consolidate the status of the e-Dirham system as a modern and smart means of service fee payment and collection, in addition to developing plans to automate the preparation of the federal budget, the payroll system and the electronic financial system of the federal government.

Strategic and Operational Performance Indicators 2015								
No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
1	Building capacity of specialists to implement financial procedures and systems in federal entities	100%	88.6%	1	Number of workshops and training sessions offered to federal entities	Operational	9	9
				2	Completion rate of training programmes required for government employees	Operational	100%	100%
				3	Completion rate of e-systems for training federal employees	Operational	100%	100%
				4	The number of reports raised to higher management on training federal entities	Operational	2	2
				5	Measuring ROI on training federal entities employees	Operational	75%	60%

Strategic and Operational Performance Indicators 2015

No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
2	Developing the federal government's electronic financial systems	98.5%	83.6%	6	Satisfaction rate of employees with the efficiency of the financial systems	Strategic	89%	86%
				7	Satisfaction rate of federal entities on the efficiency of federal government's financial system	Strategic	85%	94%
				8	The number of new systems that will be developed for the federal government's electronic financial system	Operational	1	1
				9	Number of financial reports developed for the financial electronic system	Operational	5	5
				10	Number of new regulations that will be applied in the electronic financial system	Operational	3	3

Strategic and Operational Performance Indicators 2015								
No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
3	Developing federal payroll system	100%	79.1%	11	The rate of financial reports developed according to the requirements adopted by the federal payroll system	Operational	100%	100%
				12	Rate of developed procedures according to the requirements of the federal payroll system	Operational	100%	100%
				13	Rate of decrease in technical support for the federal payroll system	Operational	50%	53%



Strategic and Operational Performance Indicators 2015

No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
4	Developing the system to automate the preparation of the general federal budget	100%	75.8%	14	Rate of completion for the final implementation of requirements related to automation in the preparation of the federal budget	Operational	100%	100%
				15	Rate of completion of the final inventory requirements for automation in the preparation of the federal budget	Operational	100%	100%
5	Developing and modernising financial work evidence	100%	44.6%	16	Rate of completion in updating the financial procedures manual of the federal government and submitting it to the UAE Cabinet	Operational	100%	95%
				17	Number of evidence-based works in the Ministry that have been updated	Operational	5	8
				18	Number of new work evidence to be issued	Operational	1	1





Strategic and Operational Performance Indicators 2015								
No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
6	Managing and developing the e-Dirham	100%	90.9%	19	Rate of collection of service fees electronically	Operational	70%	75.29%
				20	Number of entities in the public sector and private sector that will be linked to the e-Dirham system	Operational	6	7
				21	Number of new services that will be launched within e-Dirham system	Operational	1	1
				22	Number of banks that will implement the ratification system	Operational	10	10
				23	Rate of completion of the e-Dirham marketing plan	Operational	100%	100%
				24	Number of private entities that have been contracted for sales and recharging of e-Dirham cards	Operational	2	2
				25	Rate of applying and activating the information security system for the e-Dirham system	Operational	100%	100%

The achievement of the third strategic objective during 2015

- ❑ Preparing guidelines for partnership projects between federal government entities and the private sector
- ❑ Participating in regional conferences to support opportunities to shift small and medium enterprises to Cairo:
- ❑ Issuing UAE Cabinet decision:
 - When issuing raises on salaries, differences in foreign currencies in comparison to the UAE Dirham will be taken into consideration for employees working in the diplomatic sector and in similar posts
 - Adopting the consolidated financial procedures manual for 2015
 - Manual and procedures for renting buildings and property of the federal government
 - Federal law for financial restructuring and bankruptcy
- ❑ Issuing the Ministerial Council for Services' decision on handing the old building of the court to the government of Sharjah
- ❑ Holding training courses on financial systems of 2015 for federal ministries and entities
- ❑ Participating in the GCC government procurement meetings in Riyadh
- ❑ Signing a number of agreements with local entities on the e-Dirham system

Initiative: Managing and developing the e-Dirham system for 2015

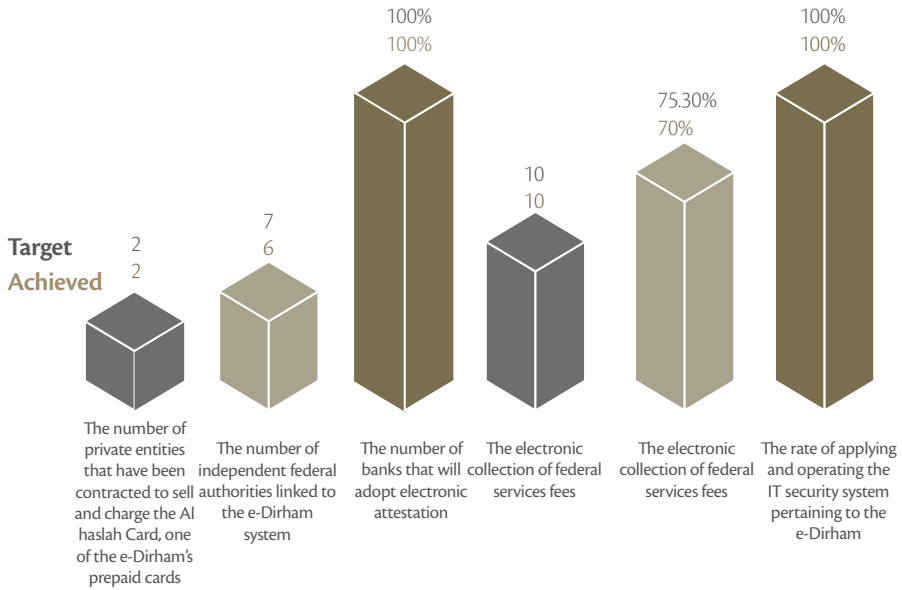
The initiative on managing and developing the e-Dirham system for 2015 was developed to contribute directly the development of the e-Dirham services, whereby the Ministry of Finance was able to include new services for customers, including electronic payment methods for service fees.

Initiative goals and objectives:

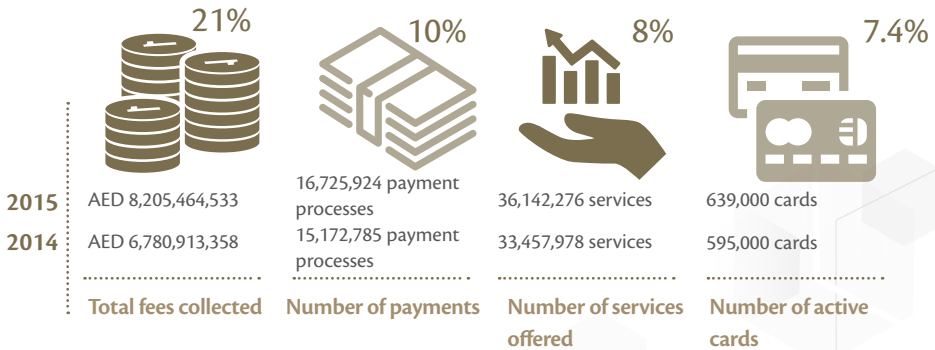
- Facilitating access to services for customers by offering new electronic services
- Providing services to larger segments of society while keeping in line with global developments related to delivering government services
- Increasing effectiveness by refraining from using traditional methods of payment and collection of fee services
- Relying on reports and detailed statistical data when setting rules to support higher management in making decisions and measuring performance in order to facilitate the implementation of the UAE's electronic government strategy
- Increasing the percentage of customer satisfaction in federal entities
- Working on strengthening the e-Dirham programme

Prominent achievements

The Ministry of Finance was able to carry out all activities under this initiative and achieve all the following operational indicators by 100%, as shown below:



The chart below shows the operational results for the implementation of the e-Dirham System for 2015:



Initiative: Automating procedures for preparing the UAE's general budget

The initiative aims to examine all aspects for developing and optimizing an automated budget system for the general federal budget. In line with our leadership's directives, the automated budget system will modify the strategic planning cycle from 3 years to 5 years; dispose of large files that negatively affect the system; address the issues faced by the Federal Government; along with identify the requirements of the Human Resources Committee.

Most Significant Achievements

Developing an automated system for budget preparation and removing any features and issues which affected its efficiency

Ensuring system was ready for 2017-2021 budget preparation

Improving operational systems and reducing time required to upload data from 3 weeks to one working day. Furthermore, over 15 reports were enhanced on the new system

Initiative: Enhancing the federal salary system

This initiative aimed to meet the new requirements of the federal government, in addition to further developing payment processes. It also supported efforts to build a mechanism to apply the system in all federal parties.

Most Significant Achievements

Creating new features in the salary system that addresses some technical issues that were being faced by a number of federal entities

Establishing a comprehensive report system to extract most of the required data that are needed by federal parties on a separate basis

Building and activating monitoring mechanisms on all new processes that have been included in the federal salary system

Initiative: Developing the e-monetary system for the federal government:

This initiative aims to implement and support the integration of systems across all federal entities that are applied for the e-monetary system. Furthermore, the purchasing and storage functions were automated, in addition to the payments system, onto one unified portal. The storage and inventory functions were also automated, and have been established as a mobile-friendly service, to save time, and to allow for the monitoring of employee assets and work items provided to them.

Best Achievements and Results

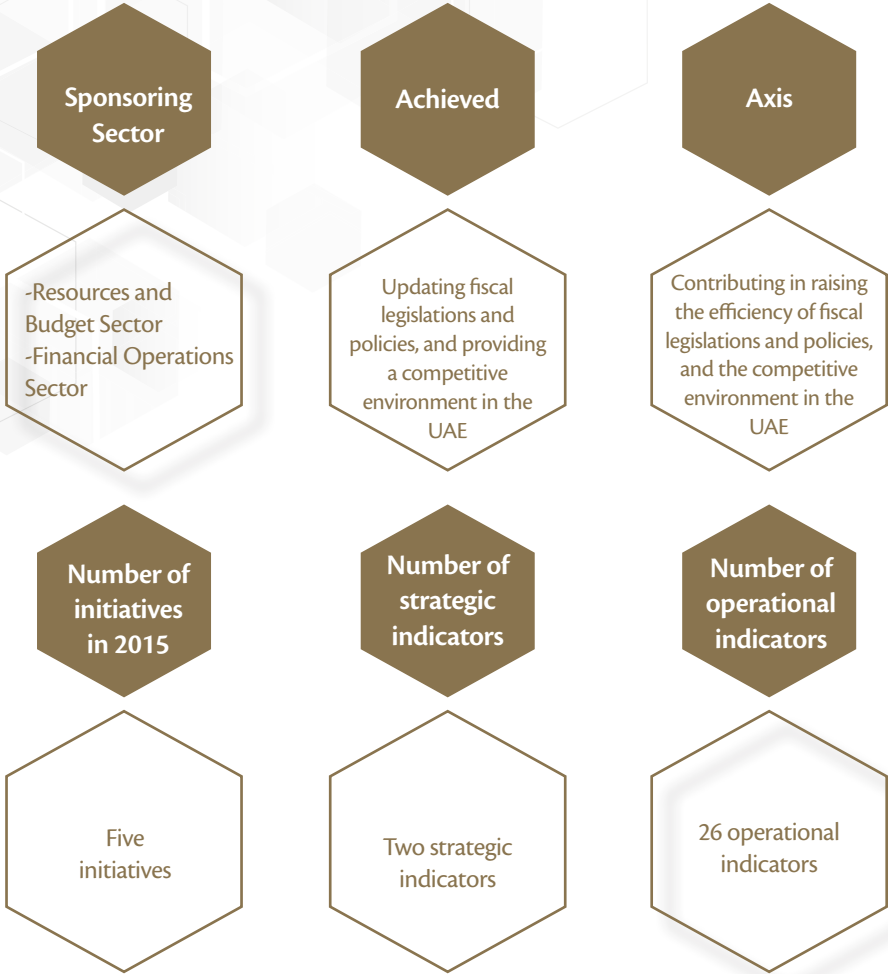
Automating all periodical processes pertaining to purchasing and storage, up to payment

Analysing the preparedness of the system to identify its applicability and providing it to all federal parties that apply the federal monetary system

The improvement, enhancement and automisation of work processes provided a positive impact, by reducing the timeframe required to finalise them and to remove all paperwork.



Fourth strategic objective: updating fiscal legislations and policies and enhancing the UAE's competitive environment



Updating and developing legislations that govern the UAE's financial and economic activities is considered a fundamental factor in ensuring the UAE's stability and competitiveness. This is considered one of MoF's main priorities.

Operational and strategic indicators 2015

No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
1	Reviewing and developing rules, regulations and procedures to improve financial management effectiveness	100%	95.8%	1	The coverage ratio of financial legislation and policies to meet the requirements of Federal Government	Strategic	45%	45%
				2	The amount of proposed legislations and policies submitted to senior government authorities	Operational	2	2
				3	Providing the rules and procedures manual on the partnership between Federal entities and the private sector to the UAE Cabinet.	Operational	100%	100%
				4	The number of studies designed to unify laws and policies	Operational	1	1
				5	Providing updates on the achievements of the federal government's housing system to the UAE Cabinet	Operational	100%	95%
				6	Achieving financial policies, rules, and regulations to meet the requirements of the federal government and to meet standards adopted by senior management	Operational	100%	100%
				7	Reporting on results of visits held with government entities and the private sector regarding partnership contracts and providing it to the senior management	Operational	100%	100%

Operational and strategic indicators 2015

No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
2	Managing and developing unified models related to public finance in the federal government	100%	90.1%	8	Developing unified insurance documents for expatriate workers in the federal government	Operational	100%	100%
				9	The satisfaction rate of expatriate employees in federal entities relating to unified insurance documents	Operational	75%	54.51%
				10	The number of reports on unified insurance documents provided to the Undersecretary	Operational	1	1
				11	Unified models achieved for building rentals and government properties	Operational	100%	100%
				12	Revising achievements of the unified model for housing rental contracts for federal government employees.	Operational	100%	100%



Operational and strategic indicators 2015

No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
3	Unifying the UAE's financial policies	100%	85.5%	13	The number of unified policies across local governments	Operational	30%	30%
				14	Adopting a policy listing, as a unified system with local governments, by the chairman of the Financial Policy Coordination Council	Operational	100%	100%
				15	The number of archived recommendations from the UAE Government's Financial Policy Coordination Council	Operational	80%	80%
				16	The number of studies implemented to unify UAE accounting measures from the IMF	Operational	10%	10%
				17	Local authorities consideration of the possibility of functional classifications of expenditures in local governments	Operational	20%	20%
				18	Number of meetings and workshops by MoF to relevant authorities on unifying financial data and policies	Operational	6	6

Operational and strategic indicators 2015

No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
1	Reviewing and developing rules, regulations and procedures to improve financial management effectiveness	100%	92.3%	19	Providing the UAE's 4th quarter financial data to the Government Financial Policy Coordination Council	Strategic	1	1
				20	Providing the UAE's 2014 financial data report to the Cabinet	Operational	100%	100%
				21	The number of 2015 UAE financial data reports provided to the Government Financial Policy Coordination Council	Operational	3	3
				22	Publishing unified financial data for 2014 in adopted communications channels	Operational	100%	100%
				23	Updating classification in the public sector, according to IMF recommendations	Operational	100%	100%
				24	The number of entities covered in the UAE's unified financial report	Operational	4%	4%
				25	The number of entities connected to the Emirates Gate of GFS Reports system	Operational	2	2

Operational and strategic indicators 2015								
No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
5	Implementing the Government Finance Statistics Manual (GFSM) 2014	100%	94.0%	26	Implementing CFISM in 2014	Operational	100%	100%
				27	Providing recommendations related to implementing the GFS system for the Government Financial Policy Coordination Council	Operational	100%	100%
				28	Number of workshops on CFISM in 2014	Operational	7	7

General impression: achieving the 4th strategic objective for the Ministry of Finance during 2015:

- Issuing the consolidated guide for the Federal government's financial procedures for 2015
- Identifying benefits for the owners of Small and Medium Enterprises (SMEs)
- Signing a Memorandum on limiting federal tenders contracts to companies and private entities committed to the Emiratisation policy
- Restructuring the Government Financial Policy Coordination Council
- Issuing the GFSM report of 2014
- Completing the draft federal law regarding transferable funds to guarantee debt
- Completing the federal law regarding financial regulation and bankruptcy
- Completing the federal law regarding creating a Federal tax authority
- Completing the federal law regarding the Leasing Finance

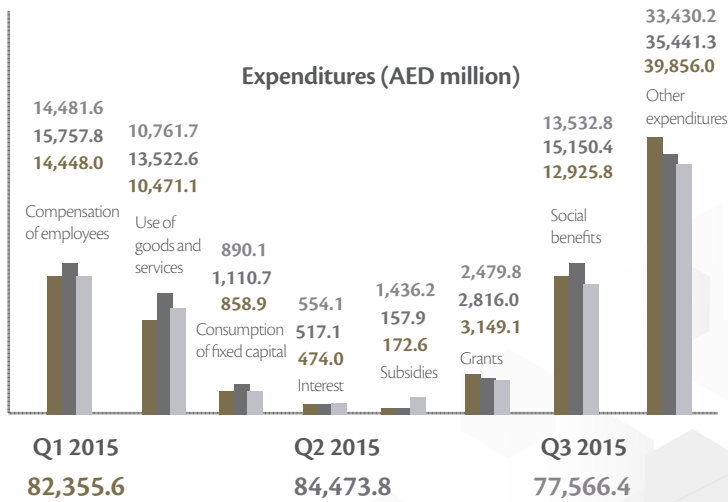
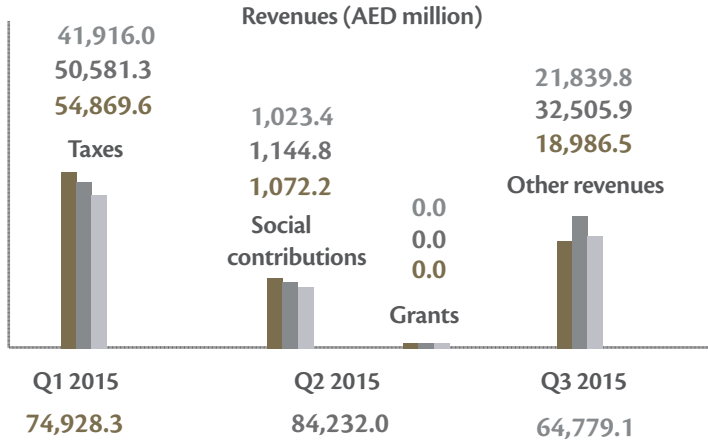
Initiative: the consolidation of financial data on UAE-wide level

The consolidation of financial data between the federal governments and UAE's government has always been one of MoF's strategic priorities. This initiative aims to achieve greater financial coordination and economic stability, and to unify financial data on a UAE-side level to enhance transparency. It works on coordinating fiscal policies and enhancing the efficiency of financial practices and legislations through a programme specialised in fiscal policy development and coordination between the Federal and local government.

The Ministry's achievements for this initiative include:

- Completing public sector classification as per the general government's definition by the IMF – 100%
- Providing the 2014 UAE financial data report to the UAE Cabinet -100%
- Providing three 2015 UAE financial data reports to the Government Financial Policy Coordination Council
- Publishing 2014's unified financial data for the UAE in the IMF annual report and local communications channel- 100%
- Providing the UAE's 4th quarter unified financial data report to the Government Financial Policy Coordination Council - 100%
- Linking the financial systems of three entities with the Emirates Gate of GFS
- Entity coverage in the UAE's consolidated financial report - 100%
- Holding coordination meetings with the Government Financial Policy Coordination Council and independent federal entity teams on preparing the unified UAE financial report
- Adopting the UAE's 2014 consolidated financial report by the Government Financial Policy Coordination Council and providing it to the UAE Cabinet for approval
- Publishing unified financial data for 2014 in the IMF annual report
- Linking a number of financial systems for a number of entities to the Emirates Gate of GFS reports system
- Electronically linking the Federal Government and the governments of Fujairah and Ras Al Khaimah
- The 2014 UAE consolidated financial report has been issued, in addition to those of the first, second and third quarter of 2015
- Organising the Coordination of Fiscal Policies and Information Forum in the UAE in collaboration with IMF
- The Article IV mission of IMF reviewing the country's experiment in implementing the GFS and its

GFS data during the first three quarters of 2015



Initiative: implementing the GFSM for 2015

The IMF launched an update pertaining to the GFSM for 2001 represented in the latest version. In line with this update, MoF formed an advisory committee specialised in GFS, and established an e-forum to discuss the manual.

The 2014 GFSM features a number of changes from the previous version which include:

- Reflecting the new changes of financial instruments and the requirements of emerging countries in public finance
- Promoting consistency with other macroeconomics statistics such as the balance of payments and national accounts
- Providing directions and tips on collecting data including providing a summary of previous decisions relevant to different sectors, adding control indicators, directions on recording dates for the commencement of different transactions and collecting them into a comprehensive database, in addition to unifying all data.
- Adding new sets (expenditures) and increasing the level of detail in classifications and data displaying such as dividends and interest received for residents and non-residents
- Including items such as reinvested profits from direct foreign returns, land improvements, weapon system and military stockpiles and other details.

Most important achievements:

Preparatory phase

Participating in reviewing the initial version of the manual and providing the fund with technical observations

Participating in the advisory committee meeting on GFS held in Washington, March 2015, to launch the final edition of the manual

Receiving the technical mission from the IMF to introduce change implementation mechanisms

Preparing the execution plan and timetable to implement changes on a nation-wide level

Forming the technical team to implement changes which includes members from MoF and financial entities in UAE government

MoF organised eight preparatory workshops for the federal governments and the UAE's government to clarify the changes on the manual and methods of its implementation

Implementation and execution phase:

Completing the alignment of Federal government expenses with the new classification in the 2014 manual

Updating UAE Gate for GFS Reporting system in line with the requirements of the updated manual

Including the General Authority for Pensions and Social Security data as an independent government sector according to the requirements of the 2014 updated manual

Launching the system's updated version during May 2015 according to the approved work plan

The e-link between financial systems for UAE governments

Following its efforts to meet the International Monetary Fund's (IMF) requirements with regards to publishing GFS; MoF completed, through the past years, the linking process between the financial system of the Federal government and local financial systems of Dubai, Sharjah, Fujairah, Abu Dhabi and Ajman governments.



Fifth strategic objective: Enhancing the UAE's financial position regionally and internationally



The international financial relations any country has with its regional and international surrounding can be seen as the main foundation to promote its economic sector, define available opportunities for investment and trade expansion, and enhance ranks in various international competitiveness reports. The fifth strategic objective for MoF supports the Ministry's ability to enhance the UAE's position in the financial field at regional and international levels.

Operational and strategic indicators 2015

No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
1	Enhancing the UAE's financial position through agreements, Memorandums of Understanding and organising activities	100%	95.1%	1	Number of signed agreements and MoUs with all countries	Strategic	45%	47.67%
				2	Reduction of the imposed tax rate on UAE international investments	Strategic	80%	82%
				3	Number of signed double taxation avoidance agreements and agreements to promote and protect international investments	Operational	139	147
				4	Number of signed Memorandums of Understanding	Operational	1	2
				5	Number of events organised in collaboration with the Organisation for Economic Cooperation and Development (OECD) for the MENA region	Operational	1	1
				6	Number of introductory meetings organised to introduce agreement features in the finance and economic field	Operational	2	2
				7	Amendments on avoidance of double taxation agreements and agreements to protect and encourage investments	Operational	100%	100%

Operational and strategic indicators 2015

No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
1	Enhancing the UAE's financial position through agreements, Memorandums of Understanding and organising activities	100%	95.1%	8	The number of economic and finance studies/ reports that were provided to senior management	Operational	6	8
				9	Measuring the benefits of agreements in the finance and economic fields.	Operational	70%	70%



Operational and strategic indicators 2015								
No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
2	Strengthening the UAE's role in economic integration throughout the GCC	100%	93.2%	10	Growth percentage of GCC nationals and companies working in the economic field	Strategic	15%	15%
				11	Number of proposals submitted by the Ministry to GCC committees	Operational	5	5
				12	Number of introductory meetings organised in the GCC, in relation to finance and economy	Operational	3	3
				13	The implementation of the GCC Supreme Councils economic and financial decisions	Operational	78%	90%
				14	The number of studies/reports on Gulf economic integration	Operational	3	3
				15	The number of reports by the national team of Gulf financial and economic integration provided to senior management	Operational	2	2
				16	GCC committees adopting suggested proposals by the Ministry	Operational	40%	40%

Operational and strategic indicators 2015								
No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
2	Strengthening the UAE's role in economic integration throughout the GCC	100%	93.2%	17	Issuing statistical reports on the Gulf Common Market	Operational	100%	100%
				18	Benefiting from the statistical report on the Gulf Common Market	Operational	60%	85%
				19	Benefiting from introductory meetings held on the GCC's finance and economic sectors	Operational	88%	88%
3	Study of financial and economic reports for regional and international organisations	100%	91.5%	20	The number of financial analysis reports for organisations and institutions contributed by the federal government and provided to senior management	Operational	8	8
				21	The number of workshops provided to country representatives in regional and international financial institutions	Operational	2	2
				22	The number of analysed periodic reports issued by regional and international financial organisations provided to senior management	Operational	8	8

Operational and strategic indicators 2015								
No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
4	Strengthening the UAE's role in economic integration throughout the GCC	100%	89.5%	23	Completing the reception for UAE banks alongside the annual meetings of the IMF and WBG in 2015	Operational	100%	100%
				24	UAE Banks benefit from participating in the bank's reception alongside IMF and WBG's annual meetings in 2015	Operational	50%	50%
5	Enhancing the UAE's position in transparency, exchanging information for tax purposes and foreign aid	100%	94.3%	25	The Ministry's participation in international activities	Operational	6	6
				26	Number of applications to provide grants and foreign aid	Operational	6	6
				27	Applying the observations received from the Global Forum on Transparency and Exchange of Information for Tax Purposes, according to the second phase's evaluation	Operational	100%	100%
				28	Number of meetings held with authorities to achieve requirements of the first and second evaluation phase of the Global Forum on Transparency and Exchange of Information for Tax Purposes	Operational	6	6

Operational and strategic indicators 2015

No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
5	Enhancing the UAE's position in transparency, exchanging information for tax purposes and foreign aid	100%	94.3%	29	Applying the observations received from the Global Forum on Transparency and Exchange of Information for Tax Purposes, according to the first phase's evaluation	Operational	100%	100%
				30	Completion of data collection for foreign account tax compliance for individuals subjected to tax as per the US tax law (FATCA)	Operational	100%	100%
				31	Responding to requests regarding exchange of information for tax purposes	Operational	100%	100%
				32	Number of reports delivered to senior management regarding foreign aid	Operational	1	1
6	Enhancing the UAE's relations with regional and international entities and financial organisations	99.97%	90.0%	33	Number of joint activities with organisations and regional and international entities	Operational	2	2
				34	Number of technical support projects that MoF has helped to provide to UAE entities	Operational	2	2

Operational and strategic indicators 2015								
No. of initiative	Initiatives	Completion of initiative	Initiative evaluation result	No.	Name of Indicator	Type of Indicator	Target Value	Achieved value
6	Enhancing the UAE's relations with regional and international entities and financial organisations	99.97%	90.0%	35	The number of staff members who have benefited from training programmes provided by development institutions	Operational	12	12
				36	The number of signed agreements on technical support	Operational	2	2
				37	Number of Memorandums of Understanding signed within and outside of the UAE for strengthening relations and capacity building	Operational	3	2
				38	Participating in regional and international meetings and providing suggestions to senior management	Operational	5	5
				39	Number of proposals provided from the Ministry to regional and international financial organisations and entities	Operational	4	4
				40	The proportion of applied proposals to submitted proposals from the Ministry to regional and international	Operational	25%	25%

General impression: achieving the 5th strategic objective for the Ministry of Finance during 2015:

- Signing bilateral agreements with the G20 and the Organisation for Economic Co-operation and Development (OECD) on exchange of information for tax purposes
- Contributing to the 10th replenishment of the International Fund for Agricultural Development's (IFAD) resources for the period of 2016-2018
- Participating in the 'Joint Annual Meeting of Arab Financial Institutions' and the sixth ordinary session of the Arab Ministers of Finance in Kuwait
- Contributing to the capital of the United Arab Shipping Company
- Providing a memorandum to the government regarding an Arab Monetary Fund (AMF) study on youth unemployment in Arab countries
- UAE Cabinet's decision regarding approving the launch of the Export Credit Insurance Company of the Emirates (ECIE) and developing its main structure
- Participating in the 40th annual meeting of the Islamic Development Bank (IDB) Group in Mozambique
- Participating in the 100th meeting of the GCC Financial and Economic Cooperation Committee
- Signing an agreement between the UAE and the USA on the US Foreign Account Tax Compliance Act (FATCA)
- Participating in the International Monetary Fund (IMF) and world Bank Group (WBG) annual meetings in Peru
- Signing a Memorandum of Understanding with Ras Al Khaimah Investment Authority and Umm Al Quwain Free Trade Zone Authority for the implementation of international standards of transparency and exchange of information

Signing an agreement to protect and encourage investments between UAE and:

Kosovo		Mauritius		Kenya	
		Greece		Kyrgyzstan	
		Mauritania		Thailand	
		The Principality of Andorra		Comoros	

Signing an agreement on the avoidance of double taxation and preventing fiscal evasion on income taxes between UAE and:

Senegal		Hong Kong	
Mauritania		Grand Duchy of Luxembourg	
Comoros		Singapore	
Romania		Barbados	
Ethiopia		Kyrgyzstan	
Bermuda		Uganda	
Eastern Republic of Uruguay		The Principality of Andorra	
The Government of the Hong Kong Special Administrative Region		Albania	
Macedonia		Chile	

Signing bilateral agreements on the exchange of information for tax purposes with the following Scandinavian countries:

Finland		Sweden	
Iceland		Norway	
Greenland		Denmark	

Initiative: Enhancing the UAE's standing with regards to transparency, exchange of information for tax purposes and foreign aid

This initiative came as a response to the procedures and penalties by the G20 against countries not complying with the international standards for transparency and exchange of information. It aims to ensure that the UAE implements tax agreements properly with regards to work and tax payers' activities implemented across borders, as well as providing a legal framework for tax authorities in the country to cooperate without violating the sovereignty of other countries or tax payers' rights.

Most important achievements:

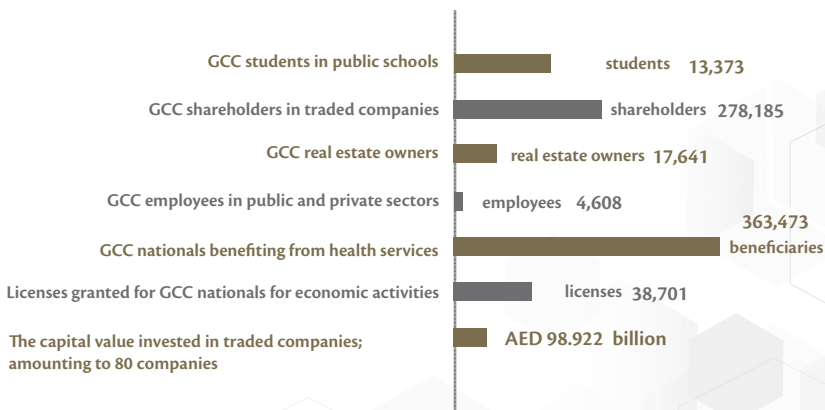
- Participating in six international activities specialised in transparency, exchange of information for tax purposes and foreign aid
- Participating in six activities specialised in providing grants and foreign aid
- Handling comments received from the Global Forum on Transparency and Exchange of Information for Tax Purposes according to the first and second evaluation phase- 100%
- Holding two meetings with international specialised entities to meet the evaluation requirements of the first and second phase of the Global Forum on Transparency and Exchange of Information for Tax Purposes
- Responding to requests by other countries regarding exchanging information for tax purposes-100%

Initiative: Strengthening the UAE's role in economic integration throughout the GCC

This initiative aims to enhance the UAE's role, represented by MoF, in strengthening economic integration between GCC countries and maximising positive results for GCC nationals upon achieving advanced stages of economic integration between Gulf states.

Most important achievements

- Growth rate of economic contributions from GCC entrepreneurs and companies operating within the UAE from 13% to 15%
- The UAE, represented by MoF, provided a number of proposals to the secretariat of the council regarding the terms and requirements of the economic union of the GCC council, as well as issuing the selective tax unified law in the form of a legal framework or an agreement similar to the one linking GCC countries regarding VAT
- Increasing the implementation of the Supreme Council's decisions from 78% to 90%
- Preparing and implementing four economic studies on GCC financial and economic integration, which led to presenting a number of recommendations
- Holding introductory meetings and workshops on economic and financial integration, which targeted different segments of diplomats, secretariat of the Council of Ministers, and the public and private sectors
- Providing opportunities for MoF's strategic partners to contribute in the Ministry's future plans and learn about their observations, opinions and ideas to support the GCC economic integration process
- Issuing the Annual Statistical Report on the Gulf Common Market for 2015



Initiative: Enhancing the UAE’s financial position through agreements, Memorandums of Understanding and organising activities

This initiative aims to strengthen the UAE’s relations with different countries and regional and international financial institutions, as well as increasing the number of the UAE’s agreements regarding the avoidance of double taxation and protecting and encouraging investments on a global level.

Most important achievements:

The following graph presents the number of tax domicile certificates and value added tax certificates issued from MoF and the total revenues achieved from 2013 to 2015:



Total revenues achieved

Value added tax certificates

Tax domicile certificates

Year

5,499,500	87	3,161	2015
6,303,000	88	2,752	2014
4,792,000	72	2,382	2013



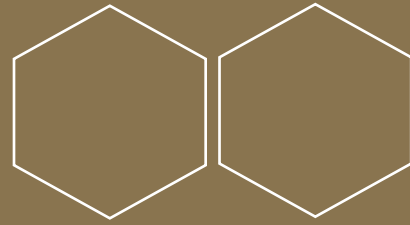


Perspectives and Opinions



Dr. Hafez Ghanem

World Bank Vice President for the Middle East and North
Africa region



The World Bank is keen to build strong ties with the UAE. Our cooperative relationship with MoF was clearly demonstrated during the World Government Summit, where we held discussions and deliberations on overall governance, and we will both continue to work on unifying our efforts to enrich the upcoming sessions of the summit. We will also commit to cooperating to develop innovative funding mechanisms to support restructuring efforts in Arab countries.

We, at the World Bank, were keen to support MoF's efforts to develop, unify and collect local and federal government financial data and policies electronically. We are working to develop joint audits on evidence-based public spending in sectors such as health, education and infrastructure.

This joint project can be viewed as a prominent example of cooperation between the World Bank and MoF, which requires interaction with multiple ministries and government entities to increase knowledge levels, enhance government spending efficiency and promote effectiveness in providing services. As a result of both parties' efforts in providing analysis, we witnessed the

implementation of a number of government initiatives and corrective operations, as well as adding new improvements in budget management practices. The partnership we have with the Ministry received great support and encouragement from different stakeholders in UAE, especially from the Federal National Council, due to our proposals and corrective efforts.

At the World Bank, we are committed to supporting MoF's efforts to formulate and implement the fiscal policy of UAE. Referring to the UAE's recent decision to lift government subsidies on fuel, I highlight our complete support for all initiatives pertaining to adopting further reforms.

At a time where UAE has stated its intention to reduce dependency on revenues from oil, I would like to stress the World Bank's extensive experience in supporting economic transformations and structural reforms, including reforms on the labor market to attract and maintain skilled workers. We will be happy to support the UAE's efforts in achieving sustainable growth and prosperity.






الإمارات العربية المتحدة
وزارة المالية

جائزة وزير المالية للتميز المؤسسي
فئة الإدارة الاتحادية المتميزة

2015
الإدارة الاتحادية المتميزة



Chapter 3: Entrepreneurship and Competitiveness



Chapter 3: Entrepreneurship and Competitiveness



Competitiveness report results for the financial sector:

World Competitiveness Yearbook 2015:

The UAE government's financial policies, which are managed by MoF, have led the country to be ranked first in the region for the third year in a row in the area world competitiveness. This is according to the latest issue of the "2015 World Competitiveness Yearbook". The UAE also achieved the first three ranks, on a global level, for different indicators in the field of government efficiency



First place in 'Public finance policies'



First place in 'Consumption tax rate'



First place in 'Tax evasion'

Ease of doing business report issued by the World Bank for 2016

Through the financial policies and procedures in place and its commitment to finance infrastructure projects, MoF was able to strengthen the UAE's position in the Ease of Doing Business report for 2016 – issued by the World Bank in 2015. The UAE has maintained, for the third year in a row, the first rank among Arab countries, and surpassed all other countries in the region. The UAE is among the first five countries in the world in three different elements: field of government efficiency



First rank globally in non-payment of corporate taxes



Second rank globally in dealing with construction permits



Fourth rank globally in ease of access to electricity

Global Competitiveness report for 2015-2016 issued by the World Economic Forum (Davos):

The UAE was among the top five countries in 27 different global competitiveness indicators, according to the Global Competitiveness Report for 2015-2016 issued by the World Economic Forum (Davos). The UAE has the 17th rank on a global level, maintaining its position among the top 20 global competitive economies, and sustained its position in the top countries with economies that are based on innovation.

The country also recorded significant improvement in many indicators in this year's report. Some of the UAE's most prominent improvements for 2015-2016 are:



UAE was among the top 10 countries worldwide in 12 out of 21 indicators pertaining to government performance



UAE maintained its second rank globally in lack of wasteful government spending



UAE maintained the second rank globally in government procurement of advanced technology products



UAE advanced from the fifth to fourth place globally in Government Budget Balance GDP



UAE advanced from the ninth to eighth place globally in local market index



UAE advanced nine ranks in the foreign market size index



UAE advanced five ranks in the credit rating index



Certificates and Awards

The Ministry is committed to adopt the best international practices when implementing initiatives, which is reflected in its participation in local and international awards. In fact, the Ministry works on meeting the requirements of all award submissions, through the initiative 'Excellence towards sustainable future' that is organised by the Department of Organisational Excellence.

Awards and Certificates

“Minister of Finance Institutional Award of Excellence”

MoF prioritises excellency and innovation as a key pillar in implementing its different operations. It established the “Minister of Finance Institutional Award of Excellence” as part of its efforts to follow the guidance of HH Sheikh Hamdan bin Rashid Al Makroum; and to honor departments, work teams and outstanding employees. In a special celebration, HH honored the winners of this award, and the results were as follows:

Main Category:

- Outstanding Federal Department: Human Resources Department

Sub-Categories:

- Outstanding Department in institutional leadership: IT Department
- Outstanding Department in strategic planning: Strategic Planning Department and Performance Department
- Outstanding Department in providing services: Revenue Development Department
- Outstanding Department in human resources: Budget Department
- Outstanding Department in community participation: Accounting Policy and Standards Department

Career Excellence (Stars of Excellence):

- Supervisory field: Ali Hamdan
- Specialist field: Sarah Al Habshi
- Administrative field: Mariam Ahmed Mohammed
- Customer service field: Ahmed Hijazi
- New employee: Shamma Youssef
- Unknown soldier: Ahmed Mohammed Abu Al Hamad
- Ideal driver: Abdel Bari Kuna

Working Teams Category:

- Outstanding team in developing services: the team responsible for the development and implementation of the Federal Financial System
- Outstanding joint team: the team responsible for the implementation of the federal wage system

Creativity and Institutional Innovation Category:

- ❑ Creative idea: Emirates Gates of GFS Reports
- ❑ Creative leader: Faisal Al Mansouri
- ❑ Creative employee: Mariam Al Shamsi



Winners of the Outstanding Federal Department: Human Resources Department



Winners of the subcategories



Winners of the Outstanding Department in providing services: Revenue Development Department



Outstanding Department in human resources: Budget Department



Winners of the Career Excellence (Stars of Excellence)



External Awards

In its commitment to adopt the best international practices in implementing tasks and initiatives, MoF participates in local and international awards related to its sector. The Ministry, through its "Excellence in sustainability and leadership" initiative which is led by the Corporate Excellence Department, assesses the requirements needed for the awards.

The Ministry won the following awards in 2015



Dubai Human Development Appreciation Award



Emirates Award for Human Resources in the Federal Government – Outstanding Motivational Department



Emirates Award for Human Resources in the Federal Government – Outstanding Leadership in Human Resources



Best strategic website award, in the category of official government entities websites for the UAE government

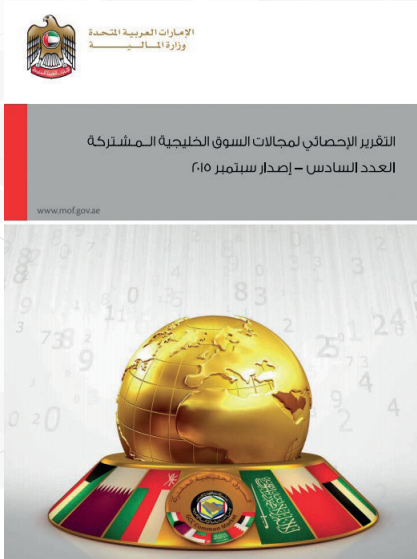


ISO 22301 certificate for business continuity management system

Based on its strategy to implement internationally adopted standards on all procedures and systems, the Ministry of Finance added ISO 22301 certificate for business continuity management system to its internationally recognised ISO certificates list, which aims to ensure a continuity of its operations as well as providing its key services to respond to emergencies and recover from negative effects.



E-Newsletters and Publications



Statistical Report for the GCC market (6th edition)



The Accrual Accounting System newsletter (1st edition)



Consolidated Financial Procedures Manual for the UAE Federal Government (7th edition)



MoF's e-newsletter – Financial Index – 19th, 20th, 21st, and 22nd edition



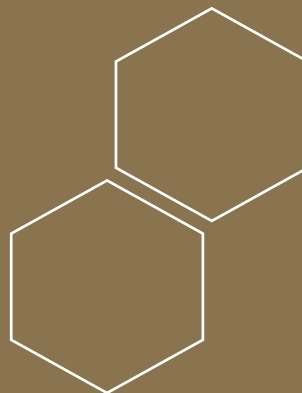
Perspectives and Opinions



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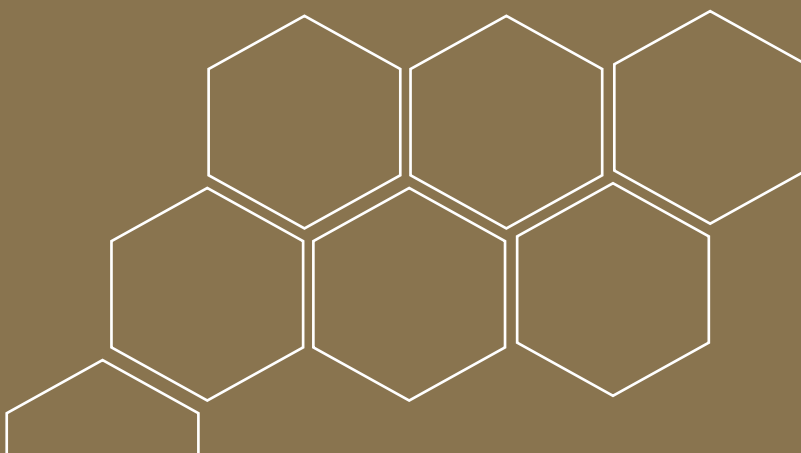
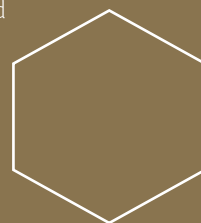
Dr. Abdulrahman Al Hamidy

Director General, Chairman of the Board of the Arab
Monetary Fund



Anyone who monitors economic and financial policies in the UAE will notice MoF's efforts in developing policies that work towards achieving economic and financial stability on one hand, whilst also driving economic development. Aside from implementing the zero-based budgeting initiative, revising public spending policies in the country and applying reforms to energy subsidies, there were multiple efforts to develop different services in the Ministry, such as the e-dirham system, which has become an example for the Arab region.

These initiatives are not limited to local areas, the Ministry coordinated and cooperated with regional and international entities as well. It was an active partner in multiple activities by the Arab Monetary Fund (AMF), such as holding the position of Technical Secretariat for the Council of Arab Ministers in formal, high-level meetings or conferences. The Ministry also contributed in discussing issues that are a priority for Arab countries and assisted in various activities to achieve desired outcomes. We, at the AMF, are grateful for the cooperation and coordination efforts with the Ministry, and we look forward to continue to strengthen our relationship.







Chapter 4: Initiatives and Social Responsibilities



Chapter 4: Initiatives and Social Responsibilities



Social Responsibilities

MoF visits the Dubai Autism Centre



MoF employees visit the Elderly Nursing Home in Ajman



MoF organises a lecture to discuss the personal portfolio at the General Women's Union



MoF participates in Labour Day Activities



MoF participates in Tarahamo Campaign



MoF organises Blood Donation Campaign for its employees



MoF employees participate in Zayed Humanitarian Work Day



MoF participates in afforestation week activities



Internal events and activities

MoF organises a trip to Dubai Heritage Village for its employees



MoF participates in 44th UAE National Day celebrations





**MoF participates in
Flag Day celebrations**

MoF participates in World Heritage Day celebrations



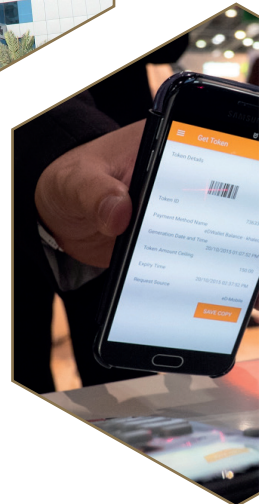


MOF in picture





MOF in picture



المالية في صور

