

UNITED ARAB EMIRATES  
MINISTRY OF FINANCE



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Ministry of Finance Annual Report 2014

Ministry of Finance...  
Strategy of  
Excellence &  
Sustainability



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# Ministry of Finance... Strategy of Excellence & Sustainability

MOFUAE



UAE Ministry of Finance



MOFUAE



MOFUAE





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

'We must harness the full potential of the state and its resources to building the active individual who is the cornerstone of the entire national process'



H.H. Sheikh Mohammed bin Rashid  
Al Maktoum

Vice President, Prime Minister and Ruler of Dubai

‘The Government’s job is to achieve happiness for people’

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## Strategic plan and consolidating a corporate culture

The federal government's transformation was not solely based on the implementation of its Medium Term Strategic Plan, nor was it the mere desire to change routine. It was designed to instill a new corporate culture over time that would support independent federal agencies and other entities in achieving clear and realistic goals.

As the federal government proceeds in this direction, MoF has continued to implement strategic steps through which it has achieved a growth rate of 100% from 2011-2013.

Based on the principles of excellence and sustainability as well as the UAE's Vision 2021, the six objectives of the Medium-Term Strategic Plan 2014-2016 support MoF's strategic vision to "position the Ministry as a global leader in financial resources management in order to achieve sustainable and balanced development of the UAE".

Designed to support the federal government, these six objectives include developing and ensuring the sustainability of the federal government's financial resources, raising and developing the efficiency of financial planning and implementing the country's public budget, enhancing the efficiency and effectiveness of the federal government's financial work systems, developing legislation and financial policies, and providing a competitive environment on a national level.

Thus far, these objectives have advanced the Ministry's international relations by enhancing the UAE's financial position on a regional and international level, and by ensuring that all administrative services are delivered in accordance with the highest standards of quality, efficiency and transparency.



We can confidently describe all that MoF has achieved from its strategic plan in 2014, including a productivity rate of 96.5%. This is one of the highest rates of strategic implementation amongst UAE government entities. And this is just the beginning – we also plan to launch a new initiative which will improve our ability to provide the best services to all of our stakeholders.

We will continue our journey on this path, to achieve financial sustainability for our beloved country. As one united team of specialists and experts in government finance, we will work together towards greater accomplishments that will better serve this nation in 2015.

**Hamdan Bin Rashid Al Maktoum**  
Deputy Ruler of Dubai and UAE Minister of Finance



## Ministry of Finance on Sustainability

In essence, financial sustainability ensures that a reliable source of funding will be provided to the public sector. This allows government entities to continuously offer services that meet the spending demands of their stakeholders. MoF is committed to implementing the principles of financial sustainability by developing strategic tools which provide the country with the financial resources it needs to support its development plans.

In line with this commitment, and in accordance with the Ministry's leading financial systems and regional as well as international relations, the vision of MoF's strategic plan for 2014-2016 is centered on positioning it as a global leader in financial resources management, in order to achieve sustainable and balanced development of the UAE.

As an integral part of the UAE's federal government, MoF has continued to accomplish outstanding achievements in 2014, across all areas of work. The approval of the draft budget of 2015 is testament to our commitment to sustainability principles on financial, social, educational and health levels. The Ministry has also demonstrated its dedication to strengthening and expanding its network of international relationships.

MoF's leadership, headed by HH Sheikh Hamdan bin Rashid Al Maktoum, believes that creating a sustainable internal work environment is an integral part of its commitment to supporting the sustainable development of the federal government. MoF consistently provides its employees with the necessary support to achieve this goal and we will continue to work as one team as we strive to accomplish our objectives.

**Obaid Humaid Al Tayer,**  
**Minister of State for Financial Affairs**



## Corporate excellence is a means, not an end

The guidance and vision of our wise leadership encourages all government entities and institutions within the UAE to commit to a business strategy with clear short and long-term goals in order to achieve a higher level of success as well as raise the UAE's global status across all fields.

The Ministry received a number of awards in 2014 from some of the UAE's most distinguished programmes, as a result of its belief in the importance of effective team work and fostering a culture of excellence. The awards included, amongst others, a gold Sheikh Khalifa Excellence Award 2014 for the public sector.

The Ministry has not only developed a culture of excellence which has boosted team performance, but also accomplished outstanding work across its financial systems. This includes activating the millionth e-Dirham card. The e-Dirham system is a leading e-system on a local and regional level.

Responsible for implementing unified economic agreements between GCC countries and the UAE, the Ministry constantly seeks to play an active role within the GCC common market. Official statistics have highlighted the UAE's successful performance across four areas of the GCC common market, including freedom of movement, work and residence, right of property ownership, freedom of economic activity and free movement of capital.

In line with our efforts to achieve corporate excellence in everything we do, we aim to continue our successful journey by implementing our strategic plan for 2014-2016 and working as one team to support the UAE's Vision 2021.

**Younis Haji Al Khoori,**  
**Undersecretary of MoF**



# The Ministry in the eyes of financial leaders

Ministry of Finance Annual Report 2014

**HE Eng. Sultan bin Saeed Al Mansoori**  
Minister of Economy



Since the establishment of the Ministry of Finance, which was originally known as the Ministry of Finance, Economy and Industry, MoF has made a significant contribution to the management of the UAE federal financial system, as well as the administration of economic plans and the development of the industrial sector.

The Ministry of Economy was established as a separate entity under the Federal Law No. (1) for 1972, which stipulated its responsibility to implement all policies for economic development within the UAE and strengthen the UAE's economic competitiveness. The two ministries have since continued to work closely together to achieve sustainable development goals for the UAE, support the government's overall strategies and in turn achieve the UAE's Vision 2021.



**HE Hamad Al Hurr Al Suwaidi**  
Chairman of the Department of Finance – Abu Dhabi



The Ministry of Finance plays a key role in developing the federal financial system as well as in ensuring the sustainability of the government's financial resources and efficiency in its operations, which in turn contributes to achieving the UAE's strategic vision. The Ministry has made significant strides in developing fiscal policies and legislative systems for the financial and banking sector in order to promote and strengthen the UAE's financial infrastructure.

The Ministry has also developed an effective financial planning process through the adoption of a zero-based budgeting system and promotion of a culture of transparency within the banking sector. These efforts have led to continuous national economic growth, allowing the UAE to surpass leading global economies and contributing to the UAE's outstanding progress in the 2014 global competitiveness report.

The Ministry has also helped consolidate the UAE's general policies across all finance departments and has played a vital role in enhancing financial performance across the seven emirates. This will have a profound impact on the UAE's economic progress and its sustainable development in the long-term.



**HE Abdullah Al Tarifi**  
CEO of the Securities and Commodities Authority



The Ministry continuously fulfils the responsibilities entrusted to it in a professional manner, including organising and securing the UAE's financial and monetary affairs, monitoring revenues and expenses, proposing fiscal policies, creating general and detailed frameworks for the annual budgets and implementing general policies within the UAE. MoF has set the standard for exemplary performance amongst ministries operating within the country.

The Ministry has also played an exceptional role in achieving sustainable and balanced development in government spending, as well as investment spending to drive economic development as per government directions. As head of the government financial policy coordination council, the Ministry also prepares financial and revenue development policies.



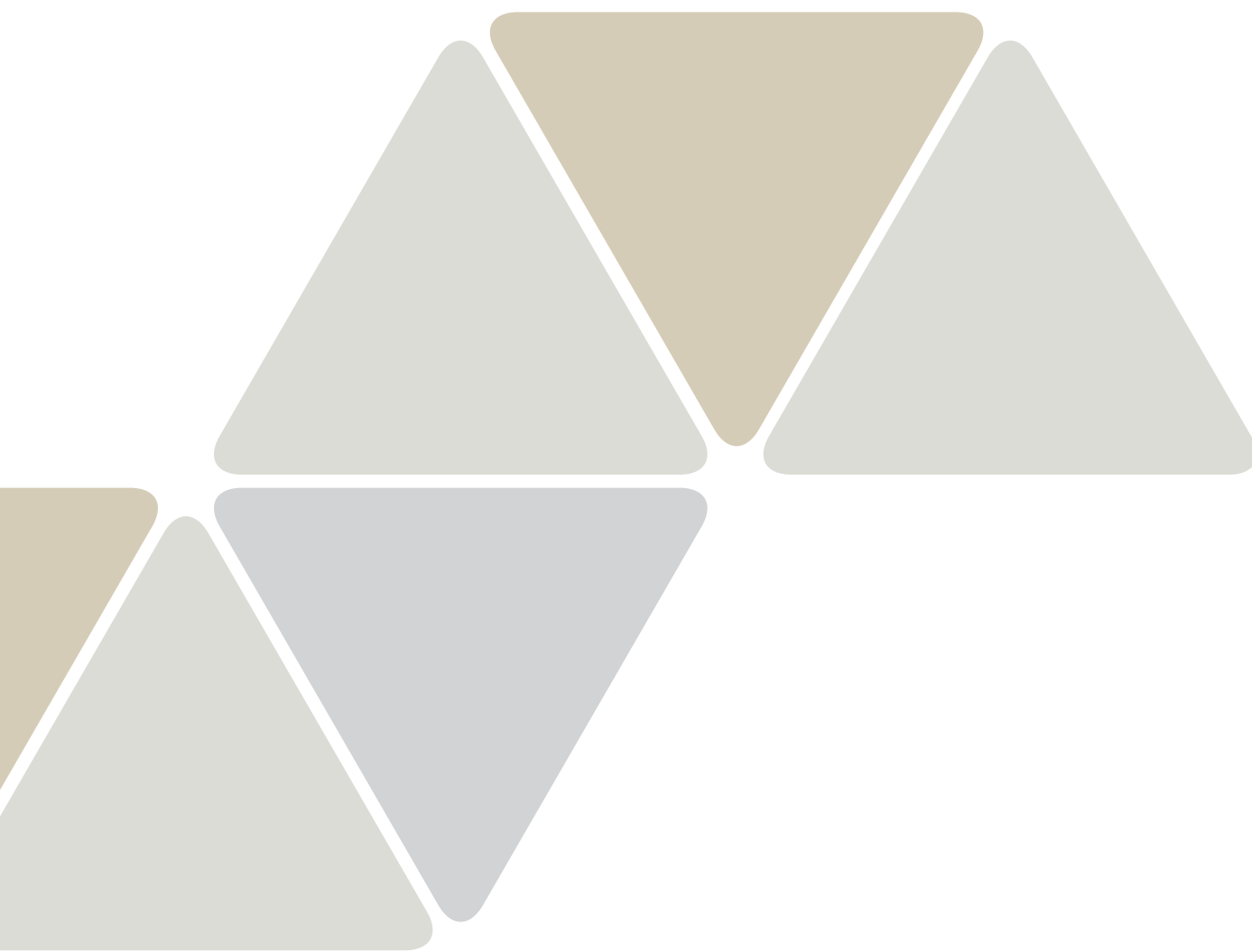
**Marwan Ahmad Lutfi**  
CEO of Al Etihad Credit Bureau



Through the various initiatives and government entities it has successfully launched, the Ministry of Finance has developed the UAE's economy and successfully established a data-driven infrastructure. The Ministry's most successful initiatives include implementing e-government standards across the UAE's financial systems, most notably developing the second generation of the e-Dirham system which facilitates electronic payments. It has also established the Al Etihad Credit Bureau, a federal government company specialised in providing credit reports to individuals and companies operating in the UAE.

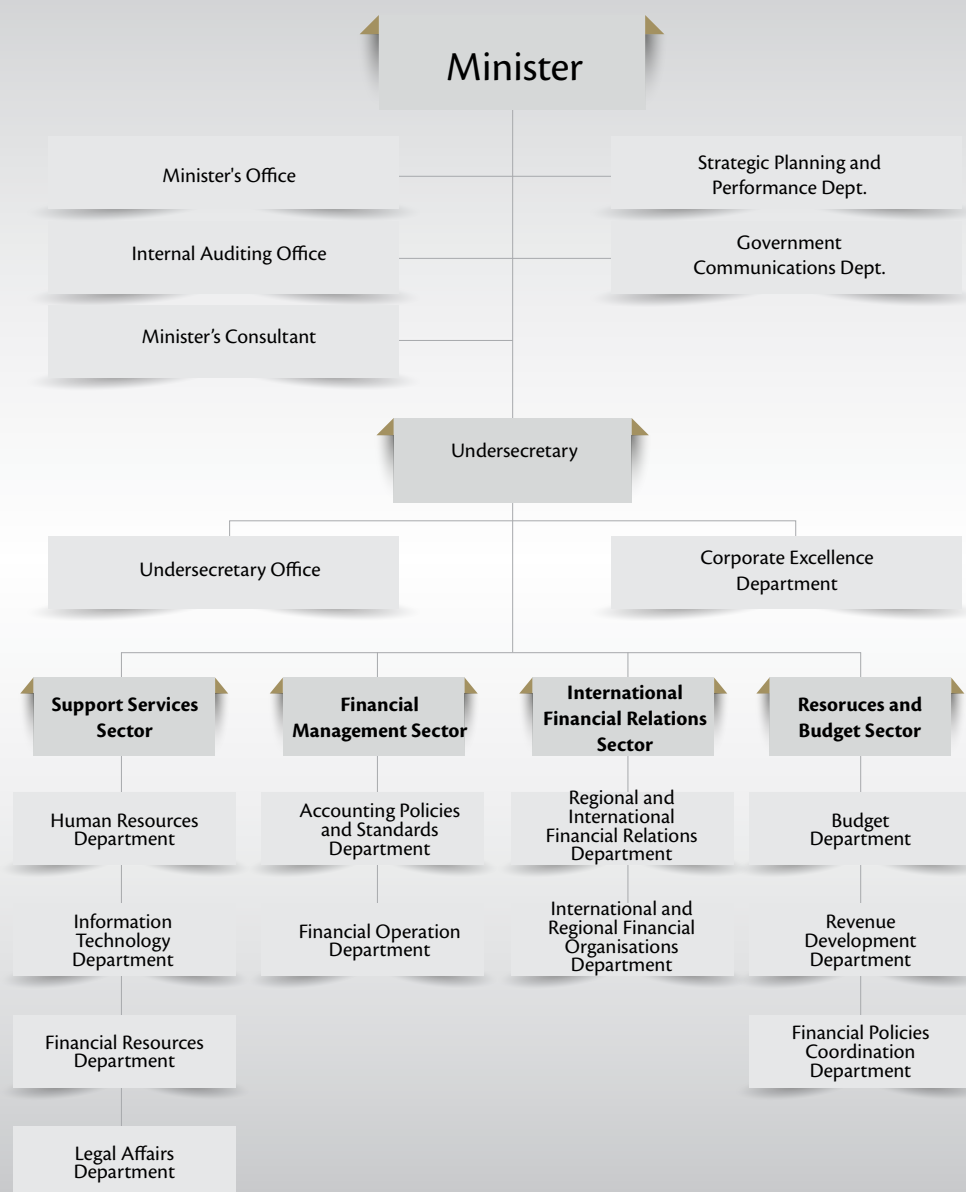
As a result of the fiscal policy put in place by the Ministry to develop financial policies and the sustainability of financial government resources, the national economy has witnessed positive development and excelled ahead of other leading global economies. This has laid the foundation for a sustainable national economy, improving the country's competitiveness and strengthening its position on a regional and global level.





# About MoF

# Organisational Structure



## MoF 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 the countries of the GCC

## 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 development of governmental financial performance and economic relations with various countries and economic blocs.

### Some of the committee's most prominent achievements for 2014 include:

Approval of additional funds for the federal fiscal year 2014 with a total value of \$1.747 billion dirhams

Approval of the draft budget of 2015, with revenues and expenses at Dh 49,100 million, and raising the draft budget's balance without deficit

Approval of initiatives of the UAE Cabinet's special meeting on the Ministry of Health for 2015-2017, with a value of Dh372.8 million



## The Supreme Committee for Supervising the Development of the Financial Sector in the UAE

Formed under the chairmanship of H.H. Sheikh Hamdan Bin Rashid Al Maktoum, Deputy Ruler of Dubai and Minister of Finance, the Supreme Committee includes the following members: Minister of State for Financial Affairs, Ministry of Economy; Chairman, UAE Central Bank and Undersecretary, Ministry of Finance. The committee sets rules for the protection and safety of the UAE's financial system and proposes laws and legislation necessary for its development. MoF holds the position of Secretariat for the committee and ensures the implementation of its directives.

### Some of the committee's most prominent achievements for 2014 include:

Implementing the 'Twin Peaks' binary system, which is based on the establishment of a state control process to avoid structural risks in the banking and financial system of the country. The committee also formed a permanent higher committee for continuous supervision of the financial sector and the protection of consumers and customers

Completing the new draft federal law for the financial services

Completing the draft federal law for the Emirates Authority for Financial Services

Completing the draft law for the leasing system

Amending the federal law No. 4 for 2002 on money laundering, issued by a decree of HH, President of the UAE

Completing the draft federal law on movable funds

## Ministry's Senior Leadership Team

The Ministry of Finance is headed by HE Obaid Humaid Al Tayer, Minister of State for Financial Affairs and the highest authority in the Ministry. His responsibilities include initiating, discussing and issuing necessary regulations required for MoF's programmes, decisions and strategies.

### Some of the committee's most prominent achievements for 2014 include:

Implementing a Memorandum of Understanding with the Central Bank on bank accounts

Approving the modernisation of the financial reporting system on iPads

Approving the update of the Ministry's websites, including the data and information provided on them

Implementing financial laws and legislation

Hosting a brainstorming session for the future financial plan of 2016-2021

Implementing the classification for the federal budget

Implementing the sale and use of the e-dirham in all post offices across the UAE

Implementing the electronic signature PASSCODE for federal government cheques and bank transfers





## MoF's Performance Committee

Headed by HE Obaid Humaid Al Tayer, Minister of State for Financial Affairs, the committee is responsible for developing the Ministry's strategy and operational plans, monitoring the implementation of those plans, achieving operational and strategic goals, and monitoring and publishing the Ministry's achievements.

### Some of the committee's most prominent achievements for 2014 include:

Preparing and implementing initiatives as well as KPIs of the Operational Plan of 2014

Issuing MoF's 2013 Annual Report

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

Implementing evaluation criteria for operational initiatives

Developing performance reports for the 2014 strategic and operational plan

Developing performance reports for the 2014 services and operational plan

Developing the Minister of Finance Institutional Excellence Award guide

Developing the Ministry's Government Communication Strategy for 2014-2016

Implementing the Ministry's plan to implement smart/e-government standards

Approving the 2014 record of risks to departments and organisational units, according to the ISO 31000 risk management system

Developing the submission plan for the 2014 excellence awards

Developing an action plan according to the results of the Mohammed bin Rashid Award for Excellence in Government Performance

Organising council meeting dates for 2015



## Government Financial Policy Coordination Council

Headed by HE Younis Haji Al Khouri, Undersecretary of the Ministry of Finance, the Council members include representatives from local governments and the UAE Central bank. The Council works to unify the government's financial policies and collect 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 committee's most prominent achievements for 2014 include:**

Issuing the 2013 Consolidated Financial Report of the UAE

Approving the implementation of financial policies in cooperation with the International Monetary Fund

Connecting the federal electronic financial system with Ajman and Abu Dhabi's financial systems



Approving the 2013 financial data published in the IMF's annual report

Signing a Memorandum of Understanding with Department of Finance Abu Dhabi and Department of Finance Ras Al Khaimah

Organising a forum on the coordination of fiscal policies and information in the UAE in May 2014

## Human Resources Committee

Headed by H.E. the Minister of State, this committee is responsible for all activities related to human resources such as training and planning promotions and appointments, as well as increments.

**Some of the committee's most prominent achievements for 2014 include:**

Updating the HR Policies & Procedures Manual

Implementing the Ministry's strategic training plan of 2014-2016

Coordinating all appointments and promotions within the Ministry in 2014

Implementing the leadership development programme in collaboration with Hamdan Bin Mohammed e- University

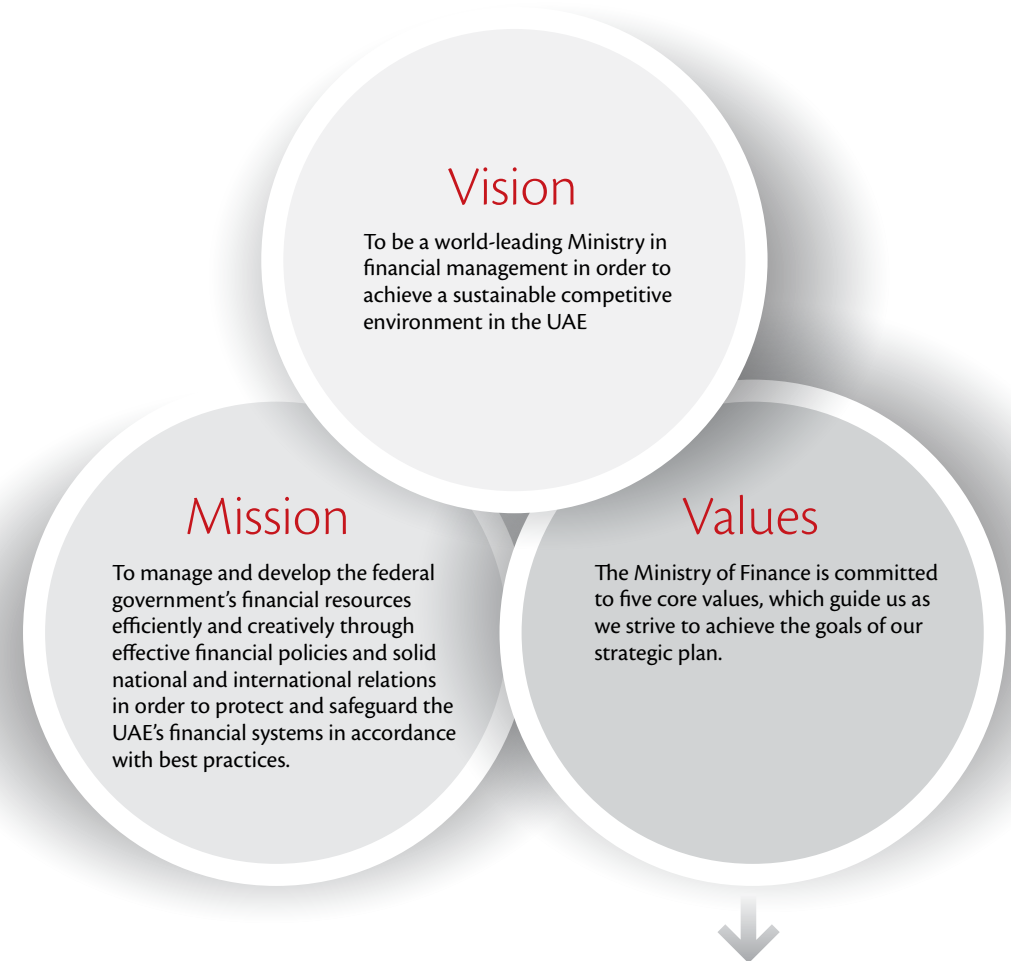
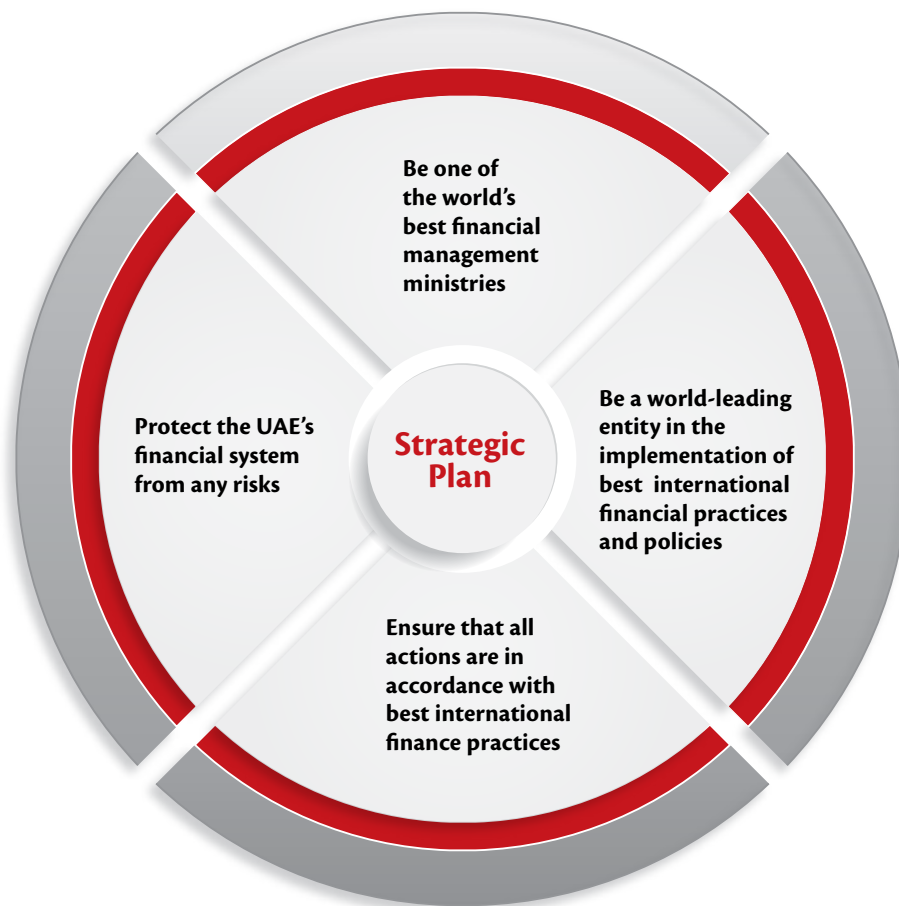


# Strategy of Excellence & Sustainability

**The Ministry's 2014-2016 strategic plan is defined as a financial sustainability strategy characterised by various steps designed to support all of the Ministry's working teams in promoting a culture of financial sustainability. The strategic plan also takes regional and international current events into consideration as well as enhances MoF's ability to meet customer needs and expectations.**



The Strategic Plan 2014-2016 was created to achieve six strategic objectives which support the overall vision of the UAE and its federal government. These objectives are in line with the Ministry's vision to:



**Team Work Spirit:** As one team, we all work together to achieve our strategic objectives

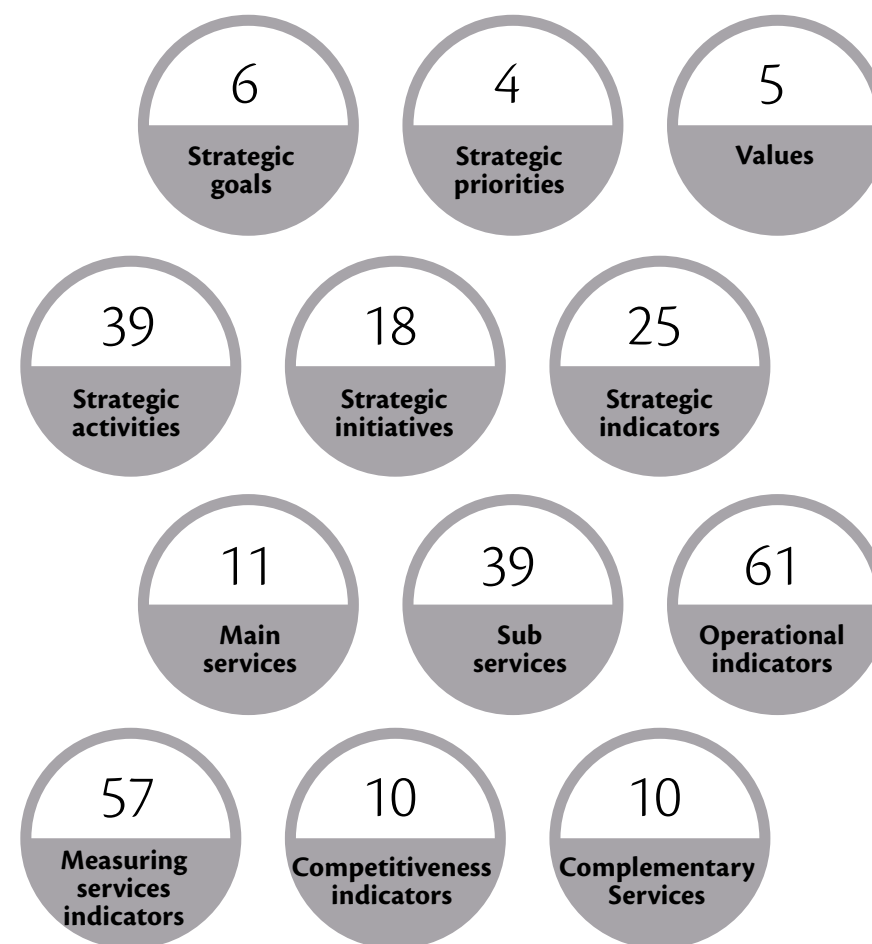
**Innovation and Excellence:** We excel in our work and overcome any challenges in creative ways

**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

## The Strategic Plan in numbers





## Strategic priorities



## Strategic indicators

1. Achieved vs. predicted revenue
2. Predicted increase of federal government resources
3. Balance between federal government revenues and expenses
4. Accuracy in budget preparation
5. Accuracy in financial planning of federal government expenses
6. Federal entity satisfaction on federal government financial systems
7. Automated financial systems on a federal government level
8. Policies adapted/consolidated within local governments
9. Implementation rate of required federal government financial policy legislation and decisions
10. Competitive financial legislation standards, as per the World Bank Doing Business report
11. Decreased rate of imposed taxes on overseas investments
12. Agreements and MoUs signed with countries across the world
13. Growth rate of economic contributions from GCC entrepreneurs and companies operating within the UAE
14. Accuracy in financial planning for self-generated revenue
15. Accuracy in the Ministry's budget preparation
16. Accuracy in the financial planning of Ministry expenses
17. Implementation of e-/smart government services
18. Level of customer satisfaction in regards to e-/smart services
19. Penetration of e-/smart government services amongst customers
20. Customer satisfaction ratio
21. Average career turnover for Emiratis / non Emiratis
22. Emiratisation ratio
23. Job satisfaction rate
24. Training hours for each employee
25. Trainees ratio in all categories



# Strategic initiatives

## Key sectors

The Strategic Plan 2014-2016 was created to achieve six strategic objectives which support the overall vision of the UAE and its federal government. These objectives are in line with the Ministry's vision to:

- |    |  |
|----|--|
| 1. | Developing federal government resources  |
| 2. | Developing effective processes for budget implementation   |
| 3. | Developing and managing federal government financial systems   |
| 4. | Building capacity for those specialised in the implementation of federal entity financial systems        |
| 5. | Identifying synergies of financial policies between the federal government and local government entities |
| 6. | Reviewing and updating regulations and policies to enhance financial management efficiency               |
| 7. | Raising the Ministry's capacity to implement regional and international financial standards              |
| 8. | Strengthening the UAE's role in regional and international institutions                                  |

## Supportive sectors

The Strategic Plan 2014-2016 was created to achieve six strategic objectives which support the overall vision of the UAE and its federal government. These objectives are in line with the Ministry's vision to:

- |     |  |
|-----|--|
| 1.  | Ensuring efficient and effective financial management                            |
| 2.  | Implementing procurement management as per best international practices          |
| 3.  | Implementing best HR practices   |
| 4.  | Implementing organisational excellence standards                                 |
| 5.  | Implementing and developing strategic plan and performance measurement processes |
| 6.  | Safeguarding internal and external communication                                 |
| 7.  | Providing the latest IT services   |
| 8.  | Providing the best legal services  |
| 9.  | Implementing best global practices in leadership                                 |
| 10. | Providing efficient joint services across all organisational units               |



## Key sector activities

1. Developing and implementing processes to increase the federal government's revenue
2. Improving financial budget planning processes
3. Improving implementation of the budget
4. Diversifying e-payment methods
5. Reviewing and updating financial regulations and procedures
6. Providing work guidelines and training federal entities
7. Activating communication channels with local entities to coordinate common financial policies
8. Preparing federal government financial laws and policies
9. Developing the UAE's regional and international financial relationships
10. Meeting GCC financial and economic integration requirements
11. Diversifying communication channels with international financial institutions and improving their effectiveness

## Supportive sector activities

Budget preparation and implementation



Salary management

Payment and benefits management



Internal audit procedures

Procurement management



Contract management

HR and recruitment planning



Employee training

HR services management including performance measurement, compensations, benefits and personnel



Customer relations management

Preparation for the Sheikh Khalifa Government Excellence Award



Quality management

Identification key performance indicators and performance measurement



Development and implementation of the strategic and operational plan

Planning and coordination of internal and external communication



Development of electronic systems and applications

Provision technical support for users (helpline)



Infrastructure and information security

studies and legal advice preparation



Management of legal affairs



# Global financial competitiveness indicators

**World Competitiveness  
Yearbook issued by the  
International Institute  
for Management  
Development 2013**

Effectiveness of individual income tax rate / ▲

Corporate tax average / ▲

Consumption tax average / ▲

Tax evasion / ▲

Real personal taxes / ▲

(%) Domestic debt of central government / ▲

(%) Central government debt / ▲

Legal rights indicator / ▲

Resolving insolvency / ▲

**Doing Business Report  
issued by the World  
Bank 2013**

**Global Competitiveness  
Report issued by the  
World Economic Forum**

Legal rights indicator / ▲

## First strategic objective

Developing and ensuring the sustainability of the federal government's financial resources

## Second strategic objective

Raising the effectiveness of financial planning and implementing the general federal budget

## Third strategic objective

Improve and develop the efficiency and effectiveness of the federal government's financial business systems

## Fourth strategic objective

Improve and develop the efficiency and effectiveness of the federal government's financial business systems

## Fifth strategic objective

Developing fiscal legislations and policies, as well as a competitive environment

## First strategic objective

## Developing and ensuring the sustainability of the federal government's financial resources

As per the Ministry's assigned task to manage and develop the federal government's financial resources, MoF is committed to diversifying sources of revenue and achieving financial sustainability, which is the first objective of its strategic plan:

First strategic objective	Developing and ensuring the sustainability of the federal government's financial resources		
Number of 2014 initiatives	3 initiatives		
Number of indicators in 2014	Strategic indicators	1 indicator	
	Operational Indicators	10 indicators	
Objective completion (%)	99.2%		
Target achieved (more than 95%)		Target not achieved (80% to 95%)	Target not achieved (less than 80%)

### First initiative: Developing and diversifying sources of federal government revenue

Completion of initiative	100%			
Initiative evaluation result	91.00%			
2014 operational and strategic performance indicators				
No	Initiative	Initiative type	Target value	Achieved value
1	Number of proposed federal entities to renovate its service fees and impose new fees	Operational	4	4
2	Number of proposed and studied revenue sources	Operational	2	2
3	Expected increase of service fee revenues	Operational	4%	7%



4	Ratio of achieved to estimated revenue	Strategic	95%	98%
5	Surplus collection rate of the independent federal entities for the fiscal year 2013	Operational	100%	188%
6	Completing IATA contract: charges security and safety fee of departing passengers	Operational	100%	100%
Second Initiative: Establishing a tax system within the UAE				
Completion of initiative	100%			
Initiative evaluation result	91.00%			
2014 operational and strategic performance indicators				
No	Initiative	Initiative type	Target value	Achieved value
7	Completion rate of UAE Cabinet's approval on the Ministry's corporate tax policy	Operational	100%	100%
8	Completion rate of the draft corporate tax law	Operational	100%	100%
9	Completion rate of the draft law framework on value added tax system in GCC	Operational	100%	100%
Third Initiative: Raising the efficiency of the telecommunications sector				
Completion of initiative	100%			
Initiative evaluation result	86.3%			
2014 operational and strategic performance indicators				
No	Initiative	Initiative type	Target value	Achieved value
10	rate of telecommunications companies' commitment to implement the requirements on the rights of franchise 2013	Operational	100%	100%
11	Completion rate of the study and review of franchising and raising it to the UAE Cabinet	Operational	100%	91%

**General impression: Achievements of the first strategic objective:  
Developing and ensuring the sustainability of the federal government's financial resources**

UAE Cabinet Resolution concerning licence fees and services provided by the Federal Authority for Nuclear Regulation.

UAE Cabinet Decision on Ministry of Social Affairs service fees

Participation in a joint meeting to develop collection processes for GCC tobacco tax

UAE Cabinet decision on International Air Transport Association (IATA) Arbitration Rules

UAE Cabinet decision on corporate tax policy principles

UAE Cabinet decision on offering scholarship fees for students enrolled in the Ministry of Higher Education and Scientific Research

UAE Cabinet decision on Ministry of Environment and Water service fees

UAE Cabinet decision on organising and developing citizenships as well as housing for the ports affair sector at the Ministry of Interior.

UAE Cabinet decision on Ministry of Justice service fees, with regard to building expertise in the judicial authority and translation professions

UAE Cabinet decision to modify the Ministry of Economy's service fees

Participation in the 26th and 27th joint meeting of the unified tax system and the legal working team

Preparation of a study on the current telecommunications sector to review franchise processes and revenue for 2014-2019

Amendment of MoF's agreement with the General Civil Aviation Authority to provide data on numbers of passengers

UAE Cabinet decision to amend and develop some of the Ministry of Public Works' service fees

UAE Cabinet decision on Ministry of Labour service fees and fines

UAE Cabinet decision on amending and introducing service fees at the Ministry of Health

Signing of an MoU with Emirates Integrated Telecommunications Company (DU) on the calculation of franchise fees

Preparation of a study on expected income from various sources in terms of expanding federal government resources

Preparation of an updated study of the federal government's forecast revenue for 2015-2016

UAE Cabinet's decision on UAE Mission visa issuance fees

Participation in the fifth annual MENA tax forum meeting

## An overview of the establishment of the taxation system in the UAE

The UAE tax system project is designed to establish a tax system through the creation of a tax department to collect and implement federal taxes. The department aims to establish uniform tax policy procedures and duties as well as propose and apply certain taxes in accordance with international best practices. This will in turn enhance the sustainability of the federal government's resources.

### Achievements and results:

- Preparing a draft law on establishing a federal tax authority and referring it to the technical committee in the Ministry of Justice for legislation
- Preparing a draft law on tax procedures and reviewing it with UAE government entities, Fatwa and the Legislation Department of the Ministry of Justice
- Preparing a draft Value Added Tax (VAT) law and reviewing it with UAE government entities, Fatwa and the Legislation Department of the Ministry of Justice
- Preparing a draft corporate tax law and reviewing it with UAE government entities
- Agreeing and documenting the basic principles of a common VAT system with GCC countries
- Preparing a common draft VAT law framework for GCC countries
- Preparing a draft law framework on selective taxation with GCC countries
- Preparing the necessary documents to establish a federal tax authority. Documents include the authority's work strategy, IT strategy, procurement strategy, job descriptions for employees at the authority, a competency framework, detailed work procedures at the authority, technical tax options and tax liability models
- Coordinating with the Association of Tax Advisors in the United States to establish a branch in Dubai and hold an annual forum on tax developments
- Preparing four studies on the economic and social impact of implementing direct and indirect taxes in the UAE (2008, 2010, 2012, 2014, 2015)
- Participating in meetings with the unified tax system team at a GCC level and in meetings with other tax committees
- Participating in the Association of Tax Authorities of Islamic Countries meetings, the MENA tax forum, OECD Global Forum on VAT and ITD Global Conference on Tax and Inequality



## Second strategic objective

# Raising the effectiveness of financial planning and implementing the general federal budget

Efficient financial planning and the implementation of the general federal budget is a top priority for the Ministry. Through its second strategic objective, the Ministry seeks to improve federal government spending processes and improve cash management efficiency by implementing a zero-based budgeting system and making the transition to accrual accounting.

Second strategic objective	Raising the effectiveness of financial planning and the implementation of the general federal budget			
Number of 2014 initiatives	5 initiatives			
Number of indicators in 2014	Strategic indicators	3 indicators		
	Operational indicators	19 indicators		
Objective completion (%)	97.50			
Target achieved (more than 95%)		Target not achieved (80% to 95%)		Target not achieved (less than 80%)
Fourth initiative: the effective and efficient preparation of the general federal budget for the fiscal year 2015				
Completion of initiative	98.74%			
Initiative evaluation result	79.80%			
2014 operational and strategic performance indicators				
No	Initiative	Initiative type	Target value	Achieved value
12	Number of financial planning studies	Operational	4	11
13	Completion rate of preparing the 2015 general federal budget and its draft law	Operational	100%	100
14	Percentage reduction of expenses to revenues of the general federal budget	Operational	100%	100%

15	Satisfaction rate of federal entities with regard to financial planning and the preparation of the general federal budget	Operational	75%	90%
16	Balance between the income and expenses of the federal government	Strategic	100%	100%
17	Accuracy in budget preparation	Strategic	10%	6%
Fifth initiative: a review of the federal government's public spending				
Completion of initiative	82.74%			
Initiative evaluation result	75.90%			
2014 operational and strategic indicators				
No	Initiative	Initiative type	Target value	Achieved value
18	Completion rate of the report on the initial results of public spending	Operational	100%	100%
19	Completion rate of reviewing the public spending report	Operational	100%	100%
Sixth initiative: Classification of the Functions of Government (COFOG)				
Completion of initiative	99.00%			
Initiative evaluation result	88.10%			
2014 operational and strategic indicators				
No	Initiative	Initiative type	Target value	Achieved value
20	Completion rate of publishing the final statement statistics for the 2015 general federal budget as per the COFOG	Operational	100%	100%
21	Completion rate of the periodic review of statistical data on the classification of functions	Operational	100%	100%
Seventh initiative: Raising the efficiency of the implementation of the general federal budget				
Completion of initiative	95.00%			
Initiative evaluation result	86.50%			
2014 operational and strategic indicators				
No	Initiative	Initiative type	Target value	Achieved value
22	Achieved rate for the federal government's consolidated accounts and the draft law on financial reporting requirements for the implementation of the budget	Operational	100%	100%

23	Comprehensive financial reporting requirements for the implementation of the general federal budget	Operational	70%	70%
24	Number of financial reports to monitor the implementation of the budget and inform the Ministry's senior management	Operational	4	3
25	Number of financial reports to monitor the implementation of the general federal budget	Operational	1	1
26	Transfer of government entities from the current federal financial system to the new one	Operational	100%	100%
27	Implementation rate of the federal government's account structure	Operational	100%	100%
28	Financial planning accuracy for federal government expenses	Operational	95%	98%
Eighth initiative: Completing the development of an efficient federal government cash management system				
Completion of initiative	100%			
Initiative evaluation result	80.60%			
2014 operational and strategic indicators				
29	Number of new cash management policies to be applied for at a federal government level	Operational	3	3
30	Completion of issuing UAE Cabinet decision on rules and regulations for the management of surplus federal government cash	Operational	100%	90%
31	Completion of issuing UAE Cabinet decision on rules and regulations with regard to liquidity and risk management	Operational	100%	90%
32	Completion of issuing the UAE Cabinet decision on the rules and regulations of opening and closing balances of government entity accounts in banks and commercial banks within the UAE	Operational	100%	100%
33	Completion of issuing the UAE Cabinet decision on the rules and regulations of the federal government emergency cash reserve	Operational	100%	90%

**General impression: The achievements of the second strategic objective on raising the effectiveness of financial planning and the implementation of the general federal budget**

UAE Cabinet decision on financing the second phase of the federal sector project

UAE Cabinet decision on funding federal universities and colleges for the first and second semester of 2014

UAE Cabinet decision on assigning the Ministry of Finance with the financial and accounting responsibilities needed to facilitate the activities of other UAE ministries

UAE Cabinet decision on implementing the 2014 consolidated financial procedures manual of the federal government

UAE Cabinet decision on implementing the general federal budget and the budgets of independent bodies for the fiscal year 2014

UAE Cabinet decision on adopting the budget for the fiscal year 2015

Issuing the UAE Ministerial Council for Services' decision on approving funding projects (16) for the Ministry of Health and promoting employees (1531)

Issuing the UAE Ministerial Council for Services' decision to implement the pricing of credit reports issued by Al Etihad Credit Bureau

Issuing the UAE Ministerial Council for Services' decision to return the Customer Service building land in Ghalilah Ras Al Khaimah

Issuing the UAE Ministerial Council for Services' decision to restore the Al Manama Police Station building in Ajman to the Ajman Government

Issuing the UAE Ministerial Council for Services' decision on transferring zero balance bank accounts of federal entities from the Central Bank to UAE banks

Preparing an actuarial study on the expected financial cost of federal government employees' gross salary

Receiving a delegation from the Ministry of Finance in Kuwait to discuss best practices in financial planning and the implementation of the general federal budget

Participating in a seminar in Muscat to promote data dissemination through the General Data Dissemination System

Issuing a financial performance report to implement the general federal budget and the budget of independent federal bodies for 2014



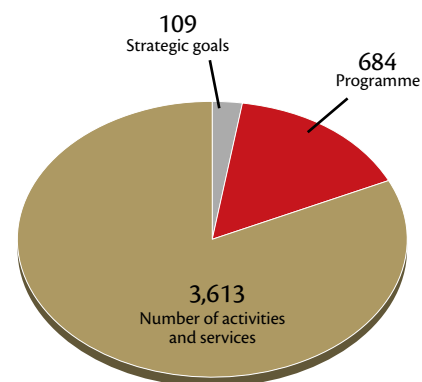


## Overview on zero- based budgeting project

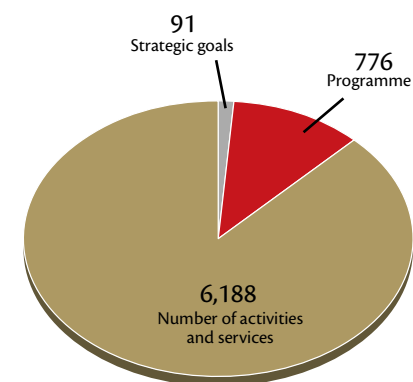
The zero-based budgeting system is a new accounting approach for MoF. Under this system, expenses of fiscal periods are prepared in regular intervals from a 'zero base' to determine the cost of all activities and services and to carry out a cost analysis.

## The Ministry's achievements with the zero-based budgeting system:

- Aligning the federal government's strategic plan and the general federal budget with the annual budget plan 2011-2013 and 2014-2016 plan
- Shifting to the zero-based budgeting system has contributed in improving transparency and accuracy in the calculations of activities and programme costs, as well as costs associated with strategic initiatives and objectives followed by the total budget of the Ministry or federal entities
- Adopting an automated system for preparing and implementing the budget
- Amending the law and decisions related to the preparation and implementation of the budget
- Providing the necessary studies for the forecasted volume of revenue
- Providing the necessary research into the implementation of the zero-based budgeting system
- Simplifying and improving the accuracy of the budget preparation process



Independent bodies

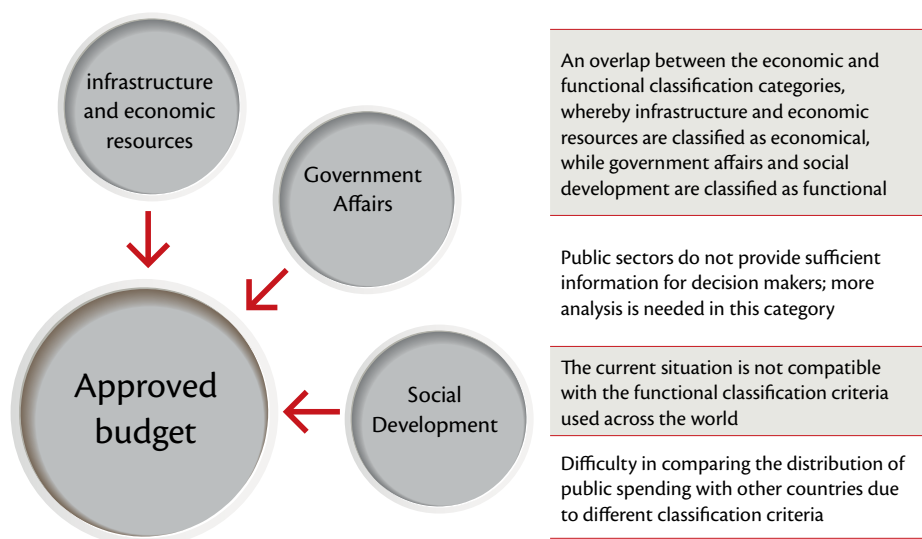


Ministries

	Cost of activities and services
Ministries	33,218,209,000
Independent bodies	5,574,605,000
Grants	2356,720,000
Social benefits	4,352,000,000
Other federal expenses	989,966,000
Projects under process	1,046,000,000
Financial investments	1,562,500,000
Total	49,100,000,000

Comparison between the current distributions of expenses as per the Classification of the Functions of Government (COFOG), a classification defined by the United Nations Statistics Division.

The current status of the distribution of budget expenditures:



Improved status after the implementation of the functional classification of government expenditure



The functional Classification of Government expenditure that are accredited globally, which are issued jointly by the UN and OECD, has been adopted by the IMF

Clear classification criteria and specific sectors enables decision-makers to rely on them

Applied on a larger scale to ease the process of comparison

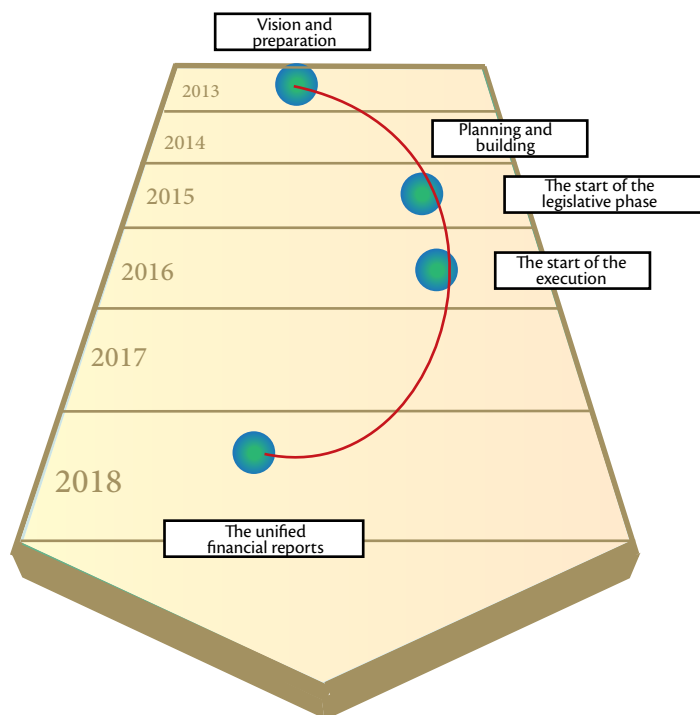
Provides clear information to help decision-makers in the planning process

## Overview of the transition of the federal government to an accrual basis system

Article 29 of the decree federal law No. 8 for 2011 stated the following: the fiscal year accounts include all incomes and expenses of the financial year functions. This is based on the issuance date of incomes or debt regardless of the actual date of debt or incomes collection. This is applied through different phases as per the Minister's instructions. All will support the gradual transition to accrual basis system.

The Ministry of Finance is continuing to facilitate a shift to the new applications of zero-based budgeting and to an accrual basis system. These efforts are not only in line with the Ministry's goals to be aligned with the International Monetary Fund's requirements, but to also become one of the leading global ministries in public financial management..

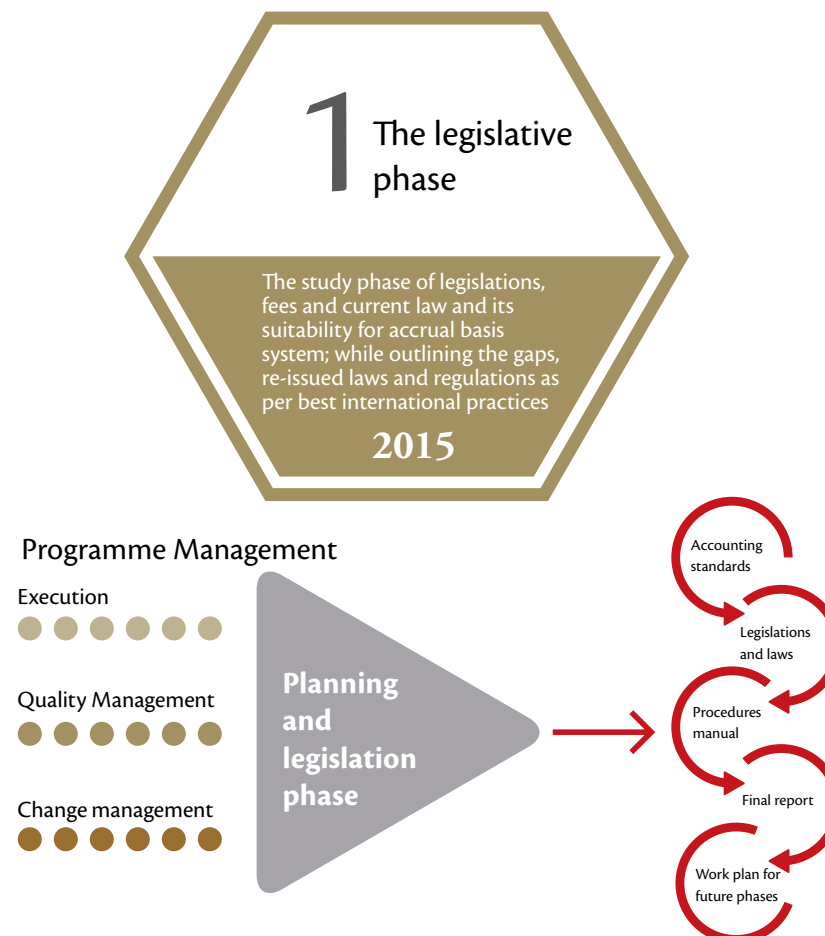
Roadmap of gradual transition and implementation of an accrual basis accounting system:



## The transition phase to an accrual system

### Phase one: the legislation phase of the gradual transition to an accrual basis system:

The MoF is in the process of developing laws, policies and current work procedures that align with this new accrual system. After developing the project in coordination with the State Audit Institution and providing policies and procedures to the UAE cabinet for approval, the Ministry of Finance will begin the implementation of the programme at the beginning of 2016.



## Positive impact of the programme

Providing more accurate integrated accounting records

Providing a clearer picture of the government's success in managing its financial resources

Comparison between options for the most efficient use of resources

Assisting ministries, institutions and federal government entities assess their financial performance and cash flows

Enhancing how the total cost of government services is determined 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 clarity on the financial statements from different years to allow for comparison and analysis

Cash Basis



Accrual basis

## Initial perception of future phase

The second phase is expected to extend over the next two years (2016-2017). A detailed plan will be developed for the second and third stages; including the change management plan, quality management, evaluation and training plan as part of the first phase

The second phase will be launched immediately after the UAE Cabinet's approval of the final report. Major output for the first phase will include all of the laws, regulations, procedures and modified processes associated with the new accrual system

The second phase of the programme will include several sub-projects including fixed asset inventory, amending various financial systems, evaluating and training federal government employees, as well as other projects which were agreed on during the first phase

The second phase of the accrual accounting system will be implemented within the Ministry of Finance as an initial test to study all risks and challenges before it is launched across other federal government entities

## 2 Execution phase

Executing fixed asset inventory, federal government employees' evaluation and training projects, etc.

2017-2016

## 3 Launch phase

Activating the federal government accrual accounting basis system and providing support

2018



### Third strategic objective

## Improve and develop the efficiency and effectiveness of the federal government's financial business systems

The federal government's financial operations systems are the main tool behind implementing the UAE's general budget in accordance with the country's legislation and fiscal policies. The Ministry of Finance is keen to adopt and develop the latest financial systems to raise performance levels and rationalise the use of financial resources.

The third strategic objective	Improve and develop the efficiency and effectiveness of the federal government 's financial operations systems			
Number of initiatives in 2014	7 initiatives			
Number of indicators in 2014	Strategic indicators	2 indicators		
	Operational indicators	20 indicators		
Objective completion (%)	99.40			
<b>Target achieved (more than 95%)</b>	<b>Target not achieved (80% to 95%)</b>		<b>Target not achieved (less than 80%)</b>	
<b>The ninth initiative: The implementation of the e-Dirham System</b>				
Completion of initiative	100%			
Initiative evaluation result	93.60%			
2014 operational and strategic performance indicators				
No	Initiative	Initiative type	Target value	Achieved value
34	The electronic collection of federal services fees	Operational	65%	65%
35	The number of independent federal authorities linked to the e-Dirham system	Operational	6	7

36	The number of federal entities linked to the e-Dirham payment system via mobile phones	Operational	6	7
37	The number of local and private entities that have been introduced to the e-dirham system	Operational	8	9
38	The number of local and private entities that have been linked to the e-Dirham system	Operational	4	4
39	The number of private entities that have been contracted to sell and charge the Al haslah Card, one of e-Dirham prepaid cards	Operational	2	2
The tenth initiative: The development of the e-Dirham system services				
Completion of initiative	100%			
Initiative evaluation result	92%			
2014 operational and strategic performance indicators				
No	Initiative	Initiative type	Target value	Achieved value
40	Number of new e-Dirham system services to be launched	Operational	3	3
41	Marketing the e-dirham system services	Operational	100%	100%
The 11th initiative: The implementation of the Federal Wage System				
Completion of initiative	97.20%			
Initiative evaluation result	80.20%			
2014 operational and strategic performance indicators				
No	Initiative	Initiative type	Target value	Achieved value
42	The number of independent federal bodies that will implement the Federal Wage System	Operational	8	8

The 12nd initiative: The development of automating the preparation procedures of the UAE's general budget				
Completion of initiative	99.30%			
Initiative evaluation result	87.40%			
2014 operational and strategic performance indicators				
No	Initiative	Initiative type	Target value	Achieved value
43	The number of financial reports developed on automating the budget's preparation procedures	Operational	80%	80%
44	Linking the automation of the budget's preparation procedures with the federal government e-financial system	Operational	100%	100%
The 13th initiative The development of the federal government e-financial system				
Completion of initiative	100%			
Initiative evaluation result	95.00%			
2014 operational and strategic performance indicators				
45	The number of new systems that will be developed for the federal government e-financial system	Operational	4	4
46	The number of ministries that will implement seven financial systems	Operational	16	16
47	The number of ministries that will implement four financial systems	Operational	16	16
48	The number of independent federal authorities that will implement 11 financial systems	Operational	11	11
49	The satisfaction rate of federal entities with the efficiency of the federal government's financial systems	Strategic	45%	55%
50	Automating financial systems on a federal government level	Strategic	69%	75%

The 14th initiative: Training specialists to implement the financial systems, measures and work guides across federal entities				
Completion of initiative	100%			
Initiative evaluation result	93.20%			
2014 operational and strategic performance indicators				
No	Initiative	Initiative type	Target value	Achieved value
51	The number of training courses and workshops that have been provided to federal entities	Operational	9	17
52	The number of training programmes planned for federal government staff	Operational	100%	100%
53	Measuring the ROI of training for federal government staff	Operational	0.7	0.6
The 15th initiative: Developing and updating the financial work guide				
Completion of initiative	100%			
Initiative evaluation result	91.90%			
2014 operational and Strategic Performance Indicators				
54	Updating the unified financial procedures guide of the federal government and submitting it to the UAE cabinet	Operational	1	1
55	Number of Ministry work guides that have been updated	Operational	2	2

### General impression: the achievements of the third strategic objective

Improve the efficiency and effectiveness of the federal government's financial operations systems:

Signing of a memorandum of understanding (MoU) with private entities and the e-Dirham system with DP World

Signing an MoU with Omni Mobile BIMiTs to integrate the Omni software solutions with the e-Dirham system

Signing an MoU with MasterCard Worldwide to develop the Ministry's software and financial services, issue compatible cards and loyalty programmes in addition to a revenue collection system inside and outside the UAE

Receiving a delegation from the International Monetary Fund to discuss best practices in terms of the e-Dirham system

Signing an MoU on the e-Dirham system with Wall Street Exchange Centre

Submitting a working paper on the e-Dirham system at COMEX Systems exhibition, Oman

Participating in a workshop on the Kuwait Ministry of Finance's financial systems

Organising a workshop to explain R12, the new e-financial system of the federal government,

Organising an introductory workshop for the project to protect and monitor users and prevent data loss in the federal government's financial systems

Conducting a study to analyse and verify the security of the e-Dirham system

Creating accounts in the GCC TAKAMUL system for entities inside and outside of the UAE that are linked to the system

Developing a system to manage tasks and meetings at the Ministry

Developing a system to manage the Ministry's federal salaries and financial laws (Bayanati)

Holding a workshop to explain the financial procedures and operations in the e-Dirham system of federal entities

Hosting a workshop to explain the financial system and discuss payments, General Ledger and receivables

Completing the e-link between the federal financial system and Abu Dhabi's financial system

Signing an MoU with the Emirates Integrated Telecommunications Company (DU),

Setting specifications for information security standards

Organising a workshop on the planning and design of data informatics

Receiving a delegation from the Ministry of Health, Emirates Authority for Standardisation & Metrology, Land Department, Abu Dhabi City Municipality, and the Municipality & Planning Dept. – Ajman to discuss e-systems, processes and procedures of the Strategic Planning and Performance Department

## Overview of the G2e-Dirham system

Through the development of the e-Dirham system, MoF aims to provide easy-to-use e-payment portals and platforms for collecting fees for federal services. These payment channels are compatible with global payment networks. In addition, this system allows for the ongoing development of internet, peripherals, and mobile platforms to improve the efficiency of the MoF's operations, customer service and government joint action.

## The system's achievements and result:

Allowed the MoF to upgrade its process of collecting fees to a more efficient and effective electronic system

Launched advanced software applications for the payment, collection and settlement of financial operations

Increased the efficiency of financial revenues to %90 of the value of revenue collection as a result of automating the collection operations

Reduced cash handling at the UAE's ministries, federal authorities, local governments and major companies that have implemented the e-Dirham system as a safe digital tool. The automated collection rate of the federal government's revenue has now reached %68.

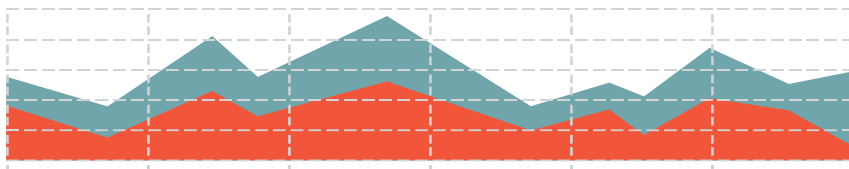
## The system's positive impact:

By putting in place the e-Dirham system, MoF has been able to minimise the time needed to collect revenue payments. This accomplishment aligns with the MoF's goal of achieving sustainable and balanced development, through efficient revenue collection, as a result of ensure the stable flow of financial resources, the Ministry is able to increase its effectiveness in the services it provides.

Finding detailed and accurate financial and statistical databases have enabled the analysis and measurement of operational plans. In addition, these resources have allowed MoF to increase the implementation of administrative processes, financial control and audits to support decision-making in accordance with realistic data.

## Charts that show results and achievements:

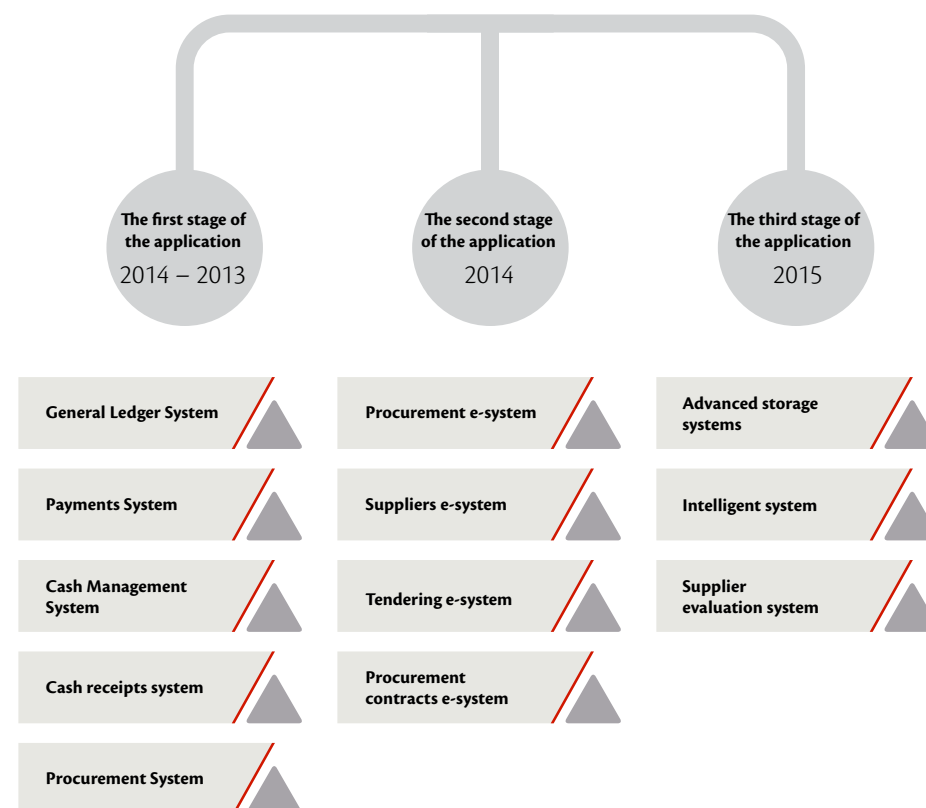
In line with MoF's strategy to raise the efficiency and effectiveness of financial operations at a federal government level, the Ministry launched the first and second phases of the new federal financial system across 16 ministries and 12 independent federal entities. This new financial system helps federal entities develop accounting plans to ensure that resources are used more effectively and to automate the process of advanced procurement.



	2013	2014
Number of executed payments transactions	12,006,849	15,172,790
Number of executed e-services	27,213,342	33,457,995
Total of payments (AED)	6,313,132,167	6,780,914,359

## An overview of the federal financial systems

In line with MoF's strategy to raise the efficiency and effectiveness of financial operations at a federal government level, the Ministry launched the first and second phases of the new federal financial system across 16 ministries and 12 independent federal entities. This new financial system helps federal entities develop accounting plans to ensure that resources are used more effectively and to automate the process of advanced procurement.



## The project's main achievements

The launch of nine financial and administrative systems across 16 ministries and 12 federal authorities

Training almost 1,250 users in the federal government on using the nine systems

Developing a specialised unit to support advanced purchases systems and warehouses within the financial systems department

Providing technical support to all federal entities (16 ministries and 12 federal authorities)

Automating the procurement process in the federal government

Developing the new workshops and user guides in addition to designing reports and the system as well as updating it periodically

Training nearly 450 external employees on how to use the federal financial system in Arabic and English

Providing a training video as a user's guide for suppliers of the federal government

## Standards the financial systems services

### Trust

Maintaining and meeting stakeholders' satisfaction through understanding their needs and expectations, in addition to providing the needed solutions based on the available data. The system is also managing stakeholders' relationships through respecting their perspectives and building confidence to ensuring long-term impact.

### Responsibility

Assuming the responsibilities and obligations that we pledge to respect, and provide the system outputs within the specified timeframe, with clear standards and transparent institutional rules across all system stages. Providing support and guidance and problem solving, in order to ensure smooth implementation process.

### Practicality and flexibility

Exchanging of information and dissemination of knowledge to beneficiaries, as well as welcoming enquiries and opinions, dealing with them seriously within the available resources, and trying to apply the principle of consensus in thought and approach, while taking into account the similarity or difference with stakeholders.

### Knowledge transfer

Practicality in planning, flexibility in implementation, and adherence to follow-up on evaluation results, within schedule in order to implement strategies and activities, while taking into account flexibility as required by the implementation and its outputs, as well as managing potential risks depending on its seriousness and the possibility of its occurrence and its impact on the process of the system's implementation

### Professionalism

Establishing quality and excellence in performance, putting in the required and adding extra efforts in order to contribute to maintaining professionalism at work as well as encouraging dialogue, accepting other views and building on them, and finally achieving the planned objectives and meet the needs and expectations.



## Fourth strategic objective

# Developing fiscal legislations and policies, as well as a competitive environment

MoF places great importance on enhancing legislation and policies governing the financial sector to drive overall development, sustainability and economic stability. MoF is keen to modernise and develop these legislations and policies in line with global best practices, through the fourth objective of its strategic plan.

Fourth strategic objective	Developing fiscal legislations and policies, as well as a competitive environment			
Number of initiatives during 2014	Three initiatives			
Number of indications in 2014	Strategic indications	Two indications		
	Operational indications	14 indications		
Target completion ratio	100%			
Target achieved (more than 95%)		Target not achieved (80% to 95%)		Target not achieved (less than 80%)
The 16th initiative: unify UAE financial data				
Completion of initiative	100%			
Initiative evaluation result	82%			
2014 operational and strategic indicators				
No	Initiative	Initiative type	Target value	Achieved value
56	The completion rate of the public sector classification as per the General government's definition by the IMF	Operational	100%	100%
57	Providing the 2013 UAE financial data report to the UAE Cabinet	Operational	100%	100%

58	The number of 2014 UAE financial data reports provided to the Government Financial Policy Coordination Council	Operational	1	1
59	Publishing financial data in the IMF's yearly book and local communications channels	Operational	100%	100%
60	Providing the UAE 4th quarter financial data report to the Government Financial Policy Coordination Council	Operational	100%	100%
61	The number of entities connected to the Emirates Gate of GFS Reports system	Operational	1	1
The 17th initiative: unifying the UAE's financial policies				
Completion of initiative	100%			
Initiative evaluation result	82.9%			
2014 operational and strategic indicators				
No	Initiative	Initiative type	Target value	Achieved value
62	The number of signed unified financial polices MoUs with relevant entities	Operational	2	2
63	The number of studies into unifying UAE accounting measures	Operational	75%	75%
64	The number of archived recommendations from the UAE Government Financial Policy Coordination Council	Operational	80%	80%
65	The number of unified policies across local governments	Strategic	20%	20%
The 18th initiative: reviewing and developing legislation and policies to improve financial management effectiveness				
Completion of initiative	100%			
Initiative evaluation result	96.8%			
2014 operational and strategic indicators				
No	Initiative	Initiative type	Target value	Achieved value
66	The amount of proposed new legislation and policies submitted to senior entities at government	Operational	1	1



67	The amount of proposed current legislation and policies submitted to the Ministry's senior management	Operational	1	1
68	The completion rate of policies on leasing properties and government assets and referring them to UAE cabinet	Operational	100%	100%
69	UAE health care sector readiness to implement the health insurance law study project	Operational	100%	100%
70	The number of studies designed to unify laws and policies	Operational	1	1
71	The coverage ratio of financial legislation and policies to meet the requirements of Federal Government	Strategic	35%	40%

### General impression: achieving the 4th strategic objective: Developing fiscal legislations and policies, as well as a competitive environment in the UAE

The UAE Cabinet's decision on the federal government's purchases policy

The UAE Cabinet's decision on the implementation of a unified insurance document for expat workers of Abu Dhabi's federal government

The UAE Cabinet's decision on the modernisation and development of policies as well as procedures for the federal government's warehouses

Launch of electronic Emirates Gate of GFS reports

Issuance of the UAE's Consolidated Financial Report for the fiscal year ending December 31, 2013

Receiving a delegation from Hamline University, UAE, to understand the Ministry's experience in the field of coordinating fiscal policies between government entities

The UAE Cabinet's decision on the mechanisms to grant pensions, special bonuses as well as granting standards, principles and rules

The UAE Cabinet's decision on restructuring the Government Financial Policy Coordination Council

Receiving a delegation from the General Pension and Social Security Authority to discuss the operational processes for federal vendors' records

Participating at the Green Institutions Conference regulatory accounting institutions in Oman

Issuing the Federal Law No. 9 of 2014 on anti-money laundering crimes and counter-terrorist financing

### Policies, rules, regulations and financial procedures:

#### Consolidated guide for the federal government's financial procedures

It is considered a comprehensive and integrated reference for financial and accounting procedures. It includes all of the required steps and attachments for each accounting procedure and legal references. The role of the guide is to provide a clear reference to federal entities on decentralisation and the transference of powers to the federal entities involved.

#### Financial and accounting regulations guidelines for the independent federal entities

MoF aimed to prepare a set of guidelines to place as a reference point for professionals and researchers, as well as to avoid establishing new regulations and for it to be the general umbrella under which comes all the views of independent parties

#### The procurement system in the federal government

This system is designed to control procurement process methods, implement best international procurement standards in line with state policies, and reduce government spending.

#### Warehouse management policy in the federal government

This policy is designed to keep up with developments and new technologies as they relate to the items in the warehouse system. In addition, the policy aims to facilitate warehouse operations, simplify the inventory process as well as speed up the process of obtaining inventory information electronically.

### Renting buildings and government properties policy

This project was established to prepare a special policy for renting buildings and government properties.

### Financial and accounting guidelines list for independent federal government entities

Through establishing this list, MoF aimed to provide a guideline for government entities and to give researchers the necessary support. This comprehensive guidelines list helps federal entities to adopt one source of guidelines rather than having several ones.

### Ministry of Finance's draft laws

There are a total of 16 federal laws, some of which have been implemented and updated recently by the Ministry, based on the developments of the financial and banking sector, public financial sector and the taxes and revenues sector. These laws were grouped into one initiative under the Department of Legal Affairs. The Ministry's leadership monitors the implementation of these laws on a monthly basis.

#### Monitoring the implementation of laws related to the financial and banking sector

- (1) Union Law No. (10) of 1980 Concerning the Central Bank, the Monetary System and banking infrastructure
- (2) Federal Law No. (4) for the year 2002 regarding the criminalisation of money laundering
- (3) Federal Law No. (4) of 2000 concerning the Emirates Securities and Commodities Authority and Market
- (4) Draft federal law on financial services
- (5) Draft federal law on the finance and leasing systems
- (6) Draft federal law on protecting rights of transfer of money

#### Monitoring the implementation of laws related to the public financial sector

- (1) Draft federal law on financial restructuring and bankruptcy
- (2) Draft federal law for health insurance
- (3) Draft federal law on public debt
- (4) Draft federal law on state owned assets

#### Monitoring the implementation of laws related to public taxes

- (1) Draft federal law on establishing the Federal Commission for Taxes
- (2) Draft federal law on tax policies
- (3) Draft federal law on Value Added Tax (VAT)
- (4) Draft federal law on corporate tax
- (5) Draft law on the VAT system within the GCC
- (6) Draft federal law on implementing fees for the transfer of money from the UAE to other counties

#### 2014 achievements

Issuing Federal Law No. (9) for the year 2014 regarding the criminalisation of money laundering

Reaching advanced stages of laws issuances including laws on public debt, financial restructuring and bankruptcy, and health insurance



## Overview on unifying the state's policies and financial data

The Ministry's goal is to issue a unified, national financial report on a quarterly and annual basis, in accordance with the international standards of the IMF's Government Finance Statistics Manual, in order to:

Meet international requirements, enhance transparency and encourage investment

Coordinate local and federal government activities to adapt their common policies to serve the decision-makers and the best interests of the state

Strengthen the UAE's global competitiveness

## Achievements and results

Preparing and publishing consolidated financial statements

Publishing detailed reports on revenues, expenses, assets and liabilities on a national level

Publishing the functional classification of expense report on a national level

Preparing metadata forms up to the general standards of the IMF's General Data Dissemination System (GDDS)

Aligning and unifying the local government policies

## Positive impact of the project

Enhancing effective coordination and cooperation among federal entities and with local governments

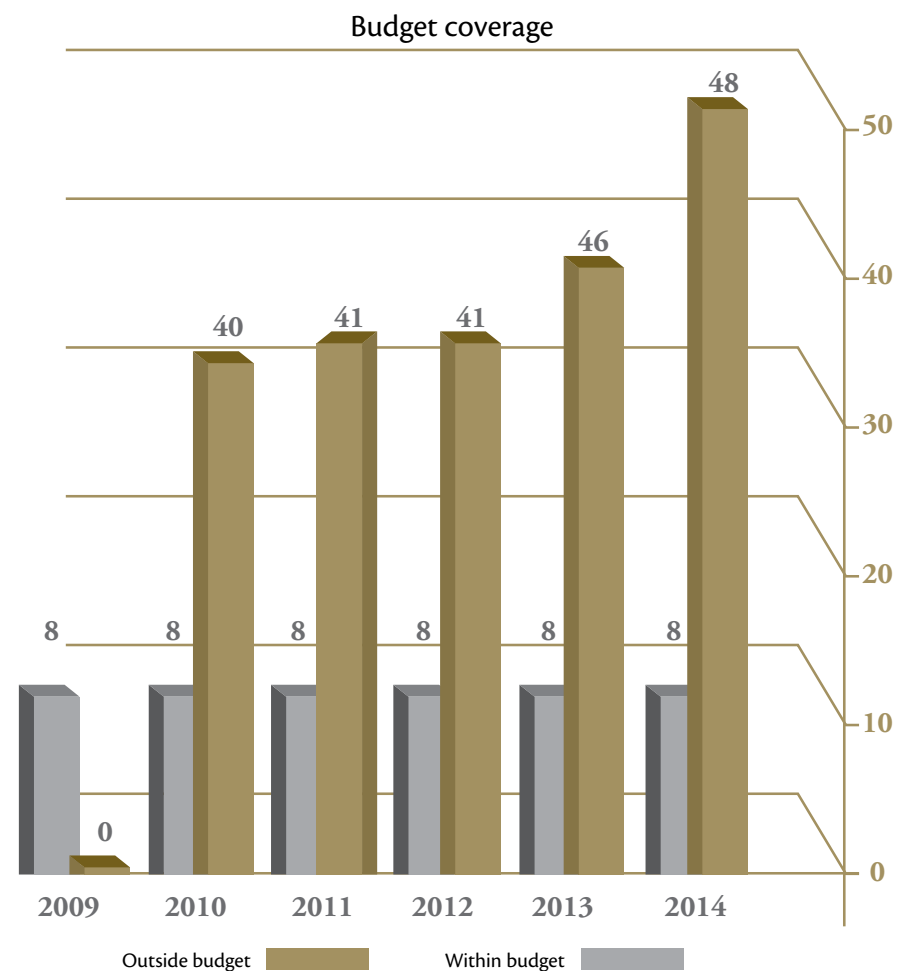
Meeting international requirements

Strengthening the UAE's global competitiveness

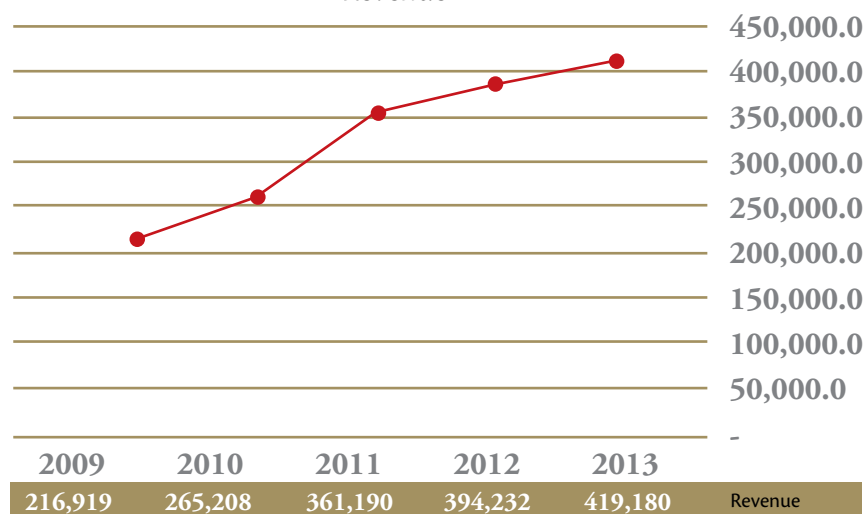
## Other achievements

Introducing the UAE Gate for Government Finance Statistics Reporting system

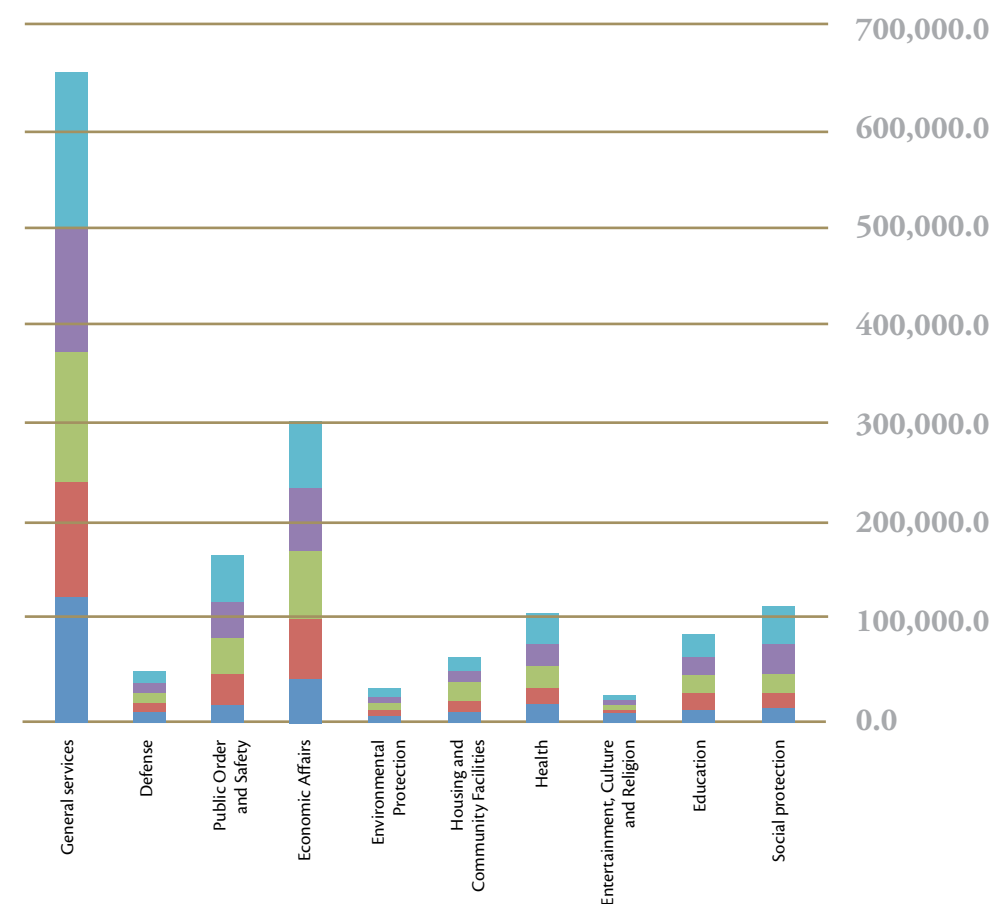
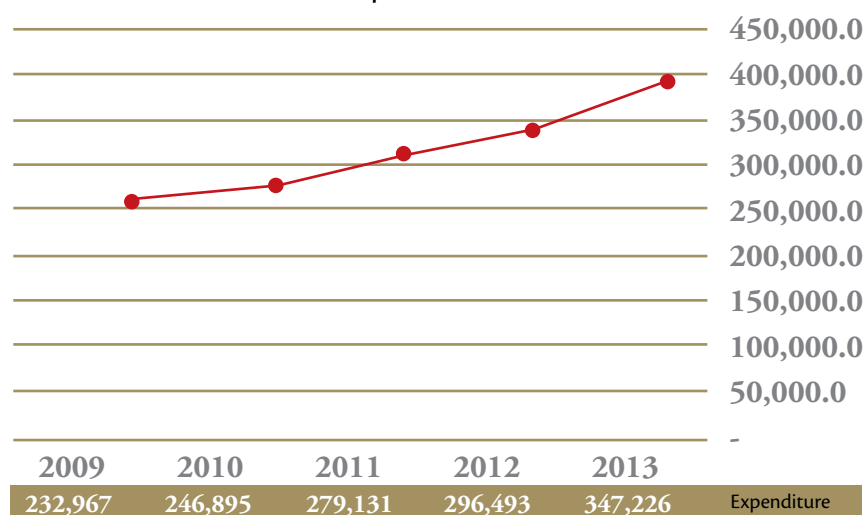
## Results and achievements analysis



## Revenue



## Expenditure



	General services	Defense	Public Order and Safety	Economic Affairs	Environmental Protection	Housing and Community Facilities	Health	Entertainment, Culture and Religion	Education	Social protection
year	701	702	703	704	705	706	707	708	709	710
2013	155,980.0	9,347.7	44,750.8	68,488.9	6,972.1	11,947.4	25,793.0	5,399.0	20,717.4	34,952.5
2012	123,057.9	10,210.4	38,197.4	64,388.6	6,920.8	12,492.8	23,323.2	4,745.1	18,755.2	31,745.3
2011	130,703.4	9,077.2	34,312.6	66,963.7	5,227.4	17,082.7	21,051.0	3,996.2	18,518.1	17,499.2
2010	114,738.9	10,004.1	33,104.9	58,732.4	6,837.2	11,806.3	17,946.7	4,388.4	15,952.4	15,378.2
2009	126,158.7	9,517.3	15,493.6	44,013.0	4,383.7	10,085.1	16,052.8	3,176.2	12,095.6	13,976.8

## Fifth strategic objective

# Enhancing the UAE's financial position on a regional and international level

The UAE has established an exceptional position for itself through its participation and valuable contribution to regional and international forums. MoF, in particular, has played an active role in this achievement through its strategic initiatives which demonstrate its commitment to strengthening the country's foreign relations.

Fifth strategic objective	Enhancing the UAE's financial position on a regional and international level			
Number of initiatives in 2014	6 initiatives			
Number of indicators	Strategic indicators	4 indicators		
	Operational indicators	22 indicators		
Objective completion (%)	98.10			
Target achieved (more than 95%)		Target not achieved (80% to 95%)	Target not achieved (less than 80%)	
The 19th initiative: Enhancing the UAE's financial position through agreements, Memorandums of Understanding and organising activities				
Completion of initiative	100%			
Initiative evaluation result	95.60%			
2014 operational and strategic indicators				
No	Initiative	Initiative type	Target value	Achieved value
56	Number of signed double taxation avoidance agreements and agreements to promote and protect international investments	Operational	131	131
57	Number of signed Memorandums of Understanding	Operational	1	2

58	Number of events organised in collaboration with the Organisation for Economic Cooperation and Development (OECD) for the MENA region	Operational	1	1
59	Amendments on avoidance of double taxation agreements and agreements to protect and encourage investments	Operational	100%	100%
60	Number of signed agreements and MoUs with all countries	Strategic	42%	42%
61	Reduction of the imposed tax rate on UAE international investments	Strategic	0.75	0.75

## The 20th initiative: Applying international standards of transparency and exchange of information on taxation

Completion of initiative	82.74%			
Initiative evaluation result	75.90%			
2014 operational and strategic indicators				
No	Initiative	Initiative type	Target value	Achieved value
62	Number of MoF participations in global activities	Operational	6	6
63	MoF's contribution to providing grants and foreign aid	Operational	5	5
64	Percentage of fulfilling the requirements of the first phase to assess the UAE by the Global Forum on transparency and exchange of information	Operational	80%	100%
65	Level of adopting of the competitive standards of financial legislation for doing business as per the World Bank report	Strategic	25%	40%
66	Number of reports referred to the Ministry's senior management on foreign aid provided by the UAE	Operational	1	1

67	Completion rate of signing initial agreements on the foreign account tax compliance for individuals subjected to tax as per the US tax law (FATCA)	Operational	100%	100%
The 21st initiative: Strengthening the UAE's role in economic integration throughout the GCC				
Completion of initiative	96.85%			
Initiative evaluation result	94.50%			
2014 operational and strategic indicators				
68	Number of proposals submitted by the Ministry to GCC committees	Operational	4	4
69	Number of introductory meetings organised on the financial and economic field of the GCC	Operational	3	5
70	The implementation of the GCC Supreme Council's economic decisions	Operational	70%	71%
71	The number of studies/ reports in economic integration	Operational	2	2
72	Percentage growth of GCC nationals and companies working in the economic field	Strategic	13%	13%
The 21st initiative: Strengthening the UAE's role in regional and international organisations and institutions				
Completion of initiative	100%			
Initiative evaluation result	88.50%			
2014 operational and strategic indicators				
73	Number of joint activities organised with international organisations and institutions	Operational	2	2
74	Number of meetings with regional and international organisations	Operational	100%	100%

75	The number of proposals submitted by the Ministry through regional and international meetings	Operational	3	3
The 23rd initiative: Study of financial and economic reports for regional and international organisations				
Completion of initiative	100%			
Initiative evaluation result	85.30%			
2014 operational and strategic indicators				
No	Initiative	Initiative type	Target value	Achieved value
76	Number of analysis reports on the operational and financial performance of companies and institutions that contribute to the federal government	Operational	4	4
77	Number of economic reports issued by international organisations that have been analysed and submitted to senior management	Operational	8	8
The 24th initiative: Providing technical support services through local and international organisations				
Completion of initiative	100%			
Initiative evaluation result	85.30%			
2014 operational and strategic indicators				
78	The number of staff members who have benefited from training programmes provided by development institutions	Operational	9	9
79	Number of Memorandums of Understanding signed within and outside of the UAE for strengthening relations and capacity building	Operational	2	1
80	Number of technical support projects that MoF has helped to provide to UAE entities	Operational	1	1

## General impression: Achievements of the fifth strategic objective: Enhancing the UAE's financial position on a regional and international level

Signing fiscal evasion and double taxation avoidance agreements with the Republic of Hungary, Japan, Slovenia, Uruguay, Kyrgyzstan, Lithuania, Brunei Darussalam, Albania, Hong Kong, and Chile

Signing an agreement on the protection and promotion of investment with Serbia, Greece, Kyrgyzstan, the Netherlands, Kenya and Benin

Implementing a federal decree on the ratification of the promotion and protection of investments agreements with the Republic of Benin and India

Implementing a federal decree on the ratification of the double taxation avoidance agreements with the Republic of Brunei Darussalam, Japan, Benin, Lybia, Slovenia and Hungary

Amending fiscal evasion and double taxation avoidance agreements with Greece, Poland and the Grand Duchy of Luxembourg

Conducting a study on economic and trade relations with Ireland, Italy, Slovakia and Argentina.

Increasing the UAE's capital share in the following organisations and institutions:

- International Monetary Fund
- Islamic Development Bank
- Arab Authority for Agricultural Investment and Development
- Arab Fund for Economic and Social Development (AFESD)
- Arab Investment and Export Credit Guarantee Corporation

Signing Memorandums of Understanding with:

- Grand Duchy of Luxembourg in the field of Islamic banking and finance
- Dubai Multi Commodities Centre Authority (DMCC) and RAK Finance Department on international standards of transparency and the exchange of information for tax purposes
- International Finance Corporation on training Emirati personnel on working with the federal government

Negotiating tax compliance laws on U.S. accounts and the double taxation avoidance agreement with the United States

Completing actions as required by the U.S. Foreign Account Tax Compliance Act

Preparing reports on:

- UAE's financial statements in cooperation with the IMF
- The development of available job opportunities in business for women in the UAE
- The GCC and sustainability
- The study of the GCC's economic competitiveness, "on the road to deeper integration"
- The study of the GCC and its competitiveness

Opening the regional branch of the International Islamic Trade Finance Corporation in Dubai

Signing the U.S. Foreign Account Tax Compliance Act (FATCA)

Issuing the UAE's economic report of the 2014 Consultation under the Article IV of the IMF agreement

Issuing the Annual Statistical Report on the Gulf Common Market

Signing the final agreement on the U.S. Foreign Account Tax Compliance Act (FATCA)

## Overview of the Gulf Economic Integration Project

The UAE Cabinet entrusted the Ministry of Finance with the task of monitoring the workflow and implementation of GCC common market decisions in the UAE. The Ministry is keen to identify opportunities and challenges faced by the market, and to support decision-makers by preparing studies and proposals.

### Achievements and results

Hosting 12 meetings and consultations with private sector organisations, university students, and concerned authorities, to exchange views and discuss challenges. These meetings have achieved an overall satisfaction rate ranging from 80% to 92.8%

Preparing six economic studies, the most prominent being: "The Reality and Future of the Market", "GCC Common Market... reality and visualization of the private sector", and "Obstacles facing the business sector that can benefit the state", to support decision-making processes

Contributing to a number of publications and brochures, three of which were statistical reports about the market, along with an economic supplement about Gulf economic integration and introductory manuals about the GCC Customs Union, the GCC Common Market and joint projects between GCC countries

Preparing a documentary about the Gulf Common Market, which was viewed by 800 people

Publishing content for social networking sites of interest to GCC citizens

**Strengthening Gulf economic integration through:**

- Studying 46 opinions and proposals related to Gulf economic integration
- Reviewing decisions of the GCC Supreme Council on the Gulf Common Market and monitoring their implementation
- Preparing the GCC Takamul electronic programme, the first of its kind, which deals with complaints, enquiries and suggestions submitted by GCC citizens

**The project's achievements on a GCC level, include:**

Submitting 25 proposals to the Secretariat of the GCC, some of which the Ministry has adopted

Treating 13 of 15 complaints, and responding to all enquiries received about the implementation of the Gulf Common Market and achieving equality for all GCC citizens

Ranking in first place amongst GCC countries in attracting nationals of member states to own real estate in the UAE. GCC ownership has reached 11,761 registered properties, an increase of 888 registered properties from last year

Ranking first place in granting GCC licenses for economic activities. The total number of licenses provided by the state amounts to 30,425, representing %85.17 of the total number of licenses issued by GCC countries

Attracting 212,243 GCC investors to the UAE market, which represents 47% of the total number of GCC investors

Attracting 3,706 GCC employees to work in the government sector, which represents 23.7% of all GCC employees working in the government sector

Reaching a total of 1,584 GCC nationals working in the private sector of the UAE

Hosting 12,085 GCC students, representing 31.53% of the total number of students in the GCC

**Overview on establishing and operating a branch of the International Islamic Trade Finance Corporation (ITFC) in the UAE**

The aim of the new ITFC branch is to provide their services to companies, banks and businessmen in the UAE as well as other member states. The branch offers companies marketing products and services, monitors their operations in the country, and organises conferences, forums, workshops and training courses related to company goals.

Commencing the establishment and operations of the ITFC branch in January 2014, which is expected to be completed in 2015

Helping with the development of trade of Member States of the Organisation of the Islamic Conference

Increasing the volume of foreign trade since the project mainly serves exporters in the UAE

**Overview on establishing the Export Credit Insurance Company of the Emirates (ECIE)**

The aim of this project was to establish an independent federal body to secure exports in order to stimulate the development of non-oil exports by providing export credit guarantees. The goal is to minimise risk and create opportunities to increase exports to foreign markets, given that the goods are safe and locally produced.

**Achievements and results**

Commencing the establishment of the ECIC in February 2014, which is expected to be completed in 2015, as well as addressing state authorities concerned with contributing to the capital of the Corporation

Helping with the development of trade of Member States of the Organisation of the Islamic Conference to promote trade finance activities as well as intra-industry and international trade

Supporting activities and programmes that enhance the trade of Member States of the Organisation of the Islamic Conference

**Overview on studying economic reports and the financial performance of regional and international organisations and institutions**

The aim of this project was to monitor the financial and operational performance of organisations and institutions that contribute to the state, determine the return on investment, take the most important global economic issues into consideration and discuss ways that the state can benefit from them as well as search for the most outstanding developments in global economic conditions and publish them internally



## Achievements and results

Preparing financial analysis reports for organisations and institutions that contribute to the federal government and submitting reports to the senior management

Organising training workshops for representatives from regional and international financial organisations and institutions in the first and last quarter of 2015

Analysing the periodic studies and reports issued by regional and international financial organisations, and submitting them to senior management

## Overview of strengthening relations with regional and international financial organisations and institutions

The aim was to strengthen the UAE's relationship with organisations and institutions that contribute to the federal government, as well as maximise the country's benefits from services offered in areas of technical support, capacity building and operations development.

### Achievements and results

Organising two joint activities with local and international organisations and institutions

Contributing to two local entity projects in collaboration with international organisations

Offering training programmes provided by development institutions to 12 Emirati personnel

Signing two technical support agreements with development institutions

Signing three MoUs with local and foreign entities to increase cooperation and strengthen relations and capacity building

Submitting proposals to regional and international organisations and financial institutions

Participating in regional and international meetings and submitting proposals to senior management

## Overview of activating the Ministry's role in the annual meetings of the World Bank and International Monetary Fund

The aim of this project is to introduce the UAE banking sector through the Ministry's annual receptions that take place alongside the annual meetings of the World Bank and International Monetary Fund in Washington. During these meetings, the participating banks and financial institutions review their most prominent achievements and banking services.

### Achievements and results

Introducing the UAE banking sector

Maximising the benefit of UAE banks by introducing them to the banking services

## International organisations and institutions' Headquarters- that the UAE hosts

The UAE hosts a large number of offices and branches of international financial and development organisations, including:

International Finance Corporation (IFC)

Islamic Corporation for the Insurance of Investment and Export Credit

Arab Monetary Fund

Arab Authority for Agricultural Investment & Development

International Center for Biosaline Agriculture

Islamic Arbitration Center

World Bank offices

International Islamic Trade Finance Corporation

## Agreements on the avoidance of double taxation

The number of agreements on the avoidance of double taxation on income signed amounted to 80 – enhancing the UAE's agreement network rate by 42% from the total number of countries across the globe. UAE trading partners that aim to reduce tax burdens on UAE investments include the following:

31 European countries

10 member states of the commonwealth of nations

10 Arab countries

17 Asian countries

6 African countries

4 South American countries

2 North American countries



## Agreements on the promotion and protection of investments

The number of agreements on the promotion and protection of investments income signed amounted to 48- enhancing the UAE's agreement network rate by 25% from the total number of countries across the globe. The countries included most of the UAE's trading partners and these provide protection against all non-commercial risks, transfer of profits and revenues as well as conflict resolutions:

19 European countries

8 member states of the commonwealth of nations

9 Arab countries

9 Asian countries

3 African countries







## Most prominent achievements

With over 65 different meetings, the Ministry has shown its full commitment to strengthening the UAE's role and position as well as its foreign relations on a regional and global level. This table provides a summary of the Ministry's participation in foreign affairs over the past year:

NO	Subject	Country
1	The fifth meeting of the GCC Customs Union Authority	Saudi Arabia
2	The first working group meeting on assessing incentives and benefits provided to the private sector in the GCC countries	
3	63 <sup>rd</sup> meeting of the GCC Customs Union	
4	The eighth meeting of the team in charge of the protocol to eliminate illicit trade in tobacco products	
5	The first Customs Procedures Committee and Computer in GCC countries meeting	
6	The 42 <sup>nd</sup> meeting of the Ministries of Economy and Finance of the GCC	
7	High-level regional forum for the 40 <sup>th</sup> anniversary of the Islamic Development Bank Group	
8	The sixth meeting of the GCC Customs Union Authority	
9	The twenty-second meeting of the team in charge of reviewing the Common Customs Law of the GCC States	
10	The second working group meeting on assessing incentives and benefits provided to the private sector in the GCC countries	
11	The seventh meeting of the GCC's Gulf Common Market	
12	The eighth working group meeting to study the judicial economic system for GCC countries	
13	The second meeting of the GCC Standardisation Organisation and the GCC Customs Union	
14	The 14 <sup>th</sup> meeting of the Yemeni-GCC joint technical committee to determine Yemen's developmental needs	
15	The 38 <sup>th</sup> meeting of the General Assembly of the Arab Petroleum Investments Corporation (APICORP)	
16	The 65 <sup>th</sup> meeting of the GCC Customs Union	
17	The fifth meeting of the team in charge of the study of the treatment of established factories in the GCC economic groupings	
18	The third working group meeting for the governance of regional financial and monetary institutions and organisations	
19	The consulting firms' meeting to prepare a study for the establishment of a Gulf body for the GCC rail project	
20	The ninth meeting of the GCC Customs Union Authority	



21	The Spring Meetings of the International Monetary Fund (IMF) and the World Bank Group	USA
22	The first preparatory meeting on the draft US Foreign Account Tax Compliance Act (FATCA)	
23	The second meeting on the negotiation of FATCA	
24	The workshop on the design and implementation of health policies and programmes	Kuwait
25	The workshop on economic development strategy	
26	The 43 <sup>rd</sup> meeting of the GCC Ministers of Finance	
27	The seventh meeting of the GCC Customs Union Authority	
28	The 98 <sup>th</sup> meeting of GCC Financial and Economic Cooperation Committee	
29	The 99 <sup>th</sup> meeting of GCC Financial and Economic Cooperation Committee	
30	The 45 <sup>th</sup> meeting of the GCC Ministers of Finance	
31	The high-level regional conference called 'Building the Future: Jobs, Growth, and Fairness in the Arab World'	Jordan
32	The ordinary general assembly meeting of the Arab Company for Livestock Development	
33	The Financial Stability Board's meeting for the MENA region	
34	The second session of the Joint Commission between UAE and Jordan	
35	The second session of the consultation on the 10th replenishment of IFAD's resources	Italy
36	The third session of the consultation on the tenth replenishment of IFAD's resources	
37	The 12th session of the Executive Council of the International Fund for Agricultural Development (IFAD)	
38	The second round of negotiations on the draft Convention on the protection and promotion of investments between the United Arab Emirates and Canada	Canada
39	The UAE delegation visit to Canada, headed by HH Sheikh Abdullah bin Zayed Al Nahyan, Minister of Foreign Affairs	

40	The fifth meeting of the Steering Committee of the Transition Fund of Deauville Partnership	Egypt
41	A negotiations round to amend the conventions on avoiding double taxation and protecting and promoting investments between the UAE and Turkmenistan	Turkmenistan
42	The first round of negotiations on the draft conventions to avoid double taxation on income and promote investment	Colombia and Uruguay
43	Meeting to evaluate peers of the Global Forum on Transparency and Exchange of Information	Malta
44	OPEC Fund for International Development's Board of Governors meeting	Austria
45	OPEC Fund Board of Governors' meeting	
46	The fifth meeting of the Regional Consultative Group	Morocco
47	The second meeting of the UAE-Indian team	India





48	Agents of the International Monetary and Financial Committee meeting to discuss quotas and assets of the member countries of the International Monetary Fund	Britain
49	The joint annual meetings of Arab Financial Institutions	Tunisia
50	The third round of negotiations on the draft convention on the protection and promotion of investment	Mexico
51	The first round of negotiations on the draft Conventions to avoid double taxation on income and exchange of Information	Argentina
52	The first round meeting of negotiations on the draft Convention on the exchange of information	Chile
53	The second session meeting of the Joint Commission between the UAE and Greece	Greece
54	The 12th meeting of the Joint Commission between the UAE and Algeria	Algeria
55	The second round of negotiations on the draft convention on the protection and promotion of investments between the United Arab Emirates and Japan	Japan
56	Joint Commission meeting between the UAE and Romania	Romania
57	The 35th session of the Ministerial Council of the OPEC Fund for International Development	Qatar
58	Group of 77 summit and China Summit	Bolivia
59	The Steering Committee's meeting of the Global Forum on Transparency and Exchange of Information	France
60	Workshop on localising rail and metro industries in the GCC	Oman
61	Meeting of the International Monetary and Financial Committee	Singapore
62	Trade and Investment Forum between Australia and the GCC	Australia
63	The seventh meeting of the Global Forum on Transparency and Exchange of Information for Tax Purposes	Germany
64	The first session of the Joint Commission between the UAE and Singapore	Singapore
65	Negotiations on modifying the double taxation avoidance on income and prevention of fiscal evasion agreement between the UAE and Romania	Romania







## Most prominent meetings

Date	Country	Subject
8-9 April 2014	Tunisia	The 39th annual meeting of the Board of Governors of the Arab Bank for Economic Development in Africa (BADEA)
8-9 April 2014	Tunisia	The 41st meeting of the shareholders of the Arab Investment and Export Credit Guarantee Corporation (Dhaman)
8-9 April 2014	Tunisia	The annual meeting of the Arab Monetary Fund
8-9 April 2014	Tunisia	The Annual meeting of Arab Fund for Economic and Social Development
8-9 April 2014	Tunisia	The annual meeting of the Arab Organization for Agricultural Investment and Development
15 April 2014	USA	The spring meeting of the World Bank Group (WBG) and the International Monetary Fund
16 June 2014	Bolivia	The summit of the Group of 77 and China
24 June 2014	KSA	The 39th Annual Meeting of the Islamic Development Bank Group
10-12 October 2014	USA	The annual meeting of the World Bank Group (WBG) and the International Monetary Fund
10-12 October 2014	USA	The Deauville Partnership Finance Ministers' meeting and signing two agreements on avoiding double taxation on income
10-12 October 2014	USA	The International Monetary and Financial Committee of the Board of Governors of the International Monetary Fund
25 October 2014	Kuwait	The 45th preparatory meeting of the GCC Committee for Under-Secretaries of Ministries of Finance
25 October 2014	Kuwait	The 99th meeting of the GCC Financial and Economic Cooperation Committee



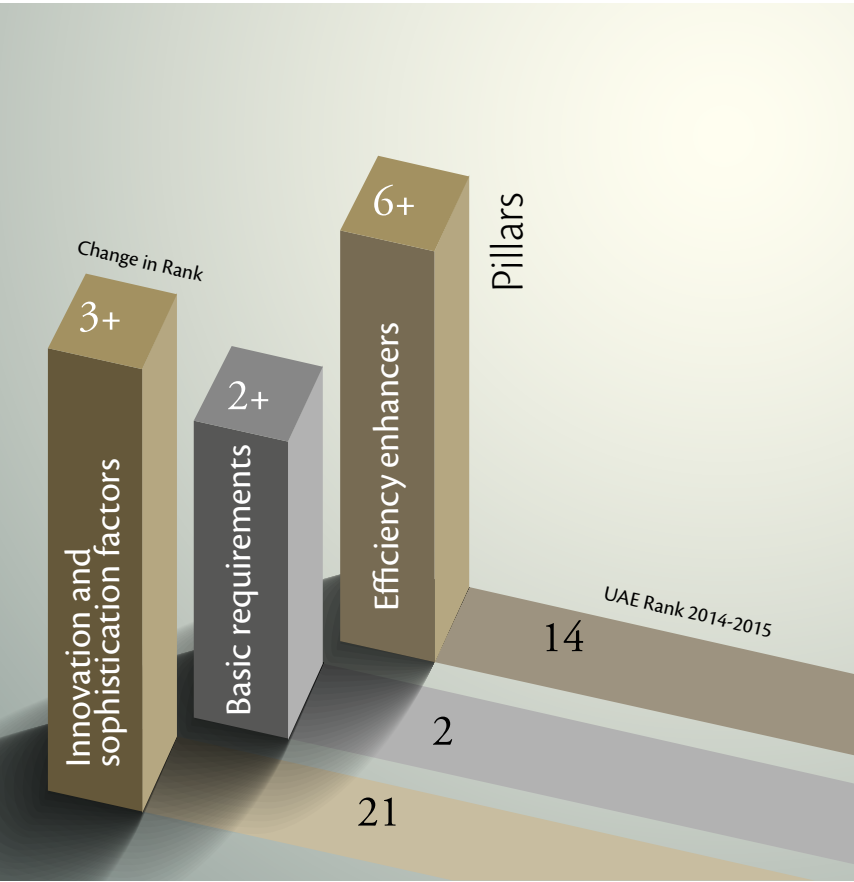


# MoF on international competitiveness reports

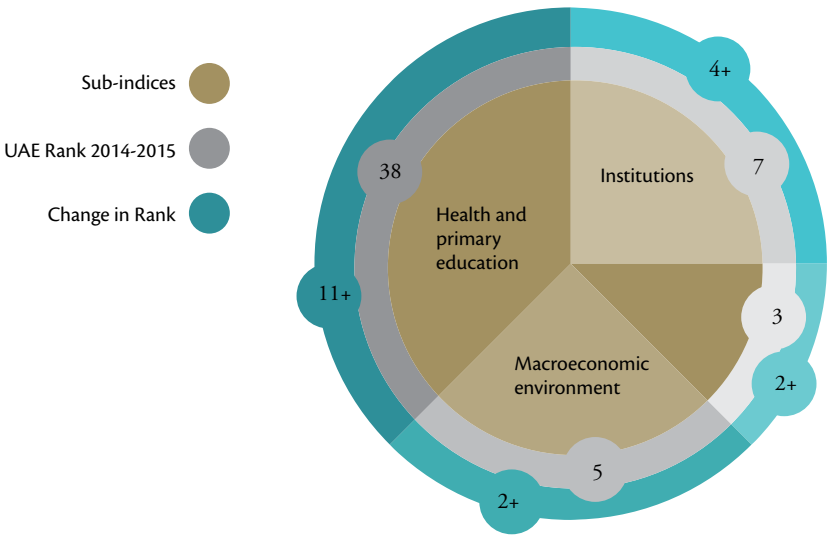
**A country's competitiveness is linked to its productivity rates, particularly when it comes to international trade. Achieving a higher competitiveness ranking is also considered one of the most important incentives for improving standards of living. As such, MoF is keen to tie its strategic goals to achieving the highest possible position in various international competitiveness reports.**

The Global Competitiveness Report has been issued by the World Economic Forum (WEF) since 1989 and includes 144 countries. Countries are evaluated according to 114 indicators to determine their levels of prosperity and productivity

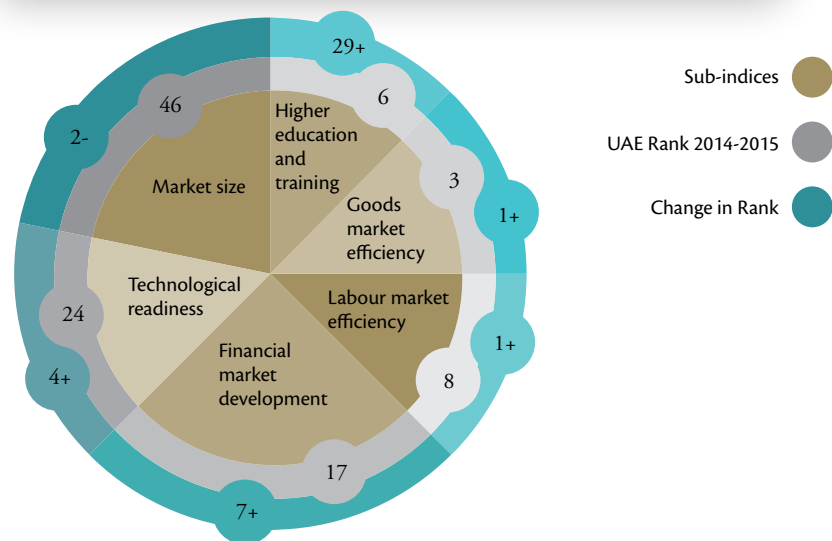
The UAE was ranked in the 12th position in the 2014-2015 report, an increase in seven ranks from the 2013-2014 report. The following table outlines the development criteria utilised in the report:



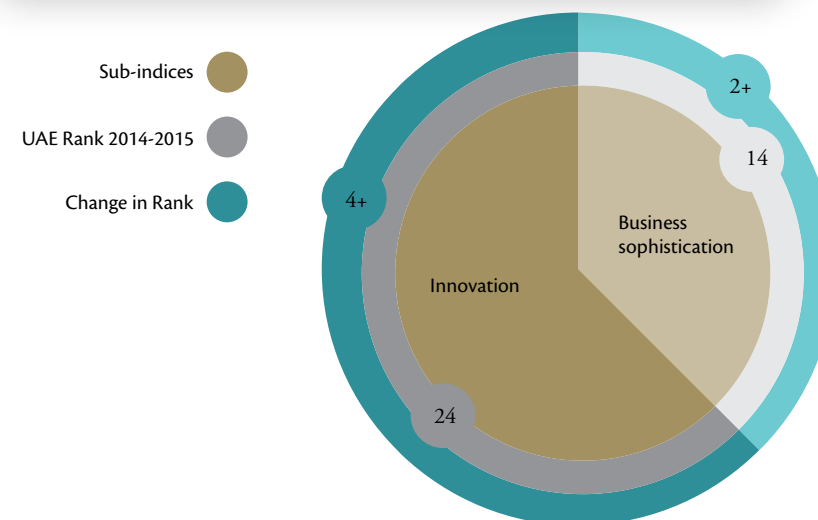
## Subindex A: Basic requirements



## Subindex B: Efficiency enhancers

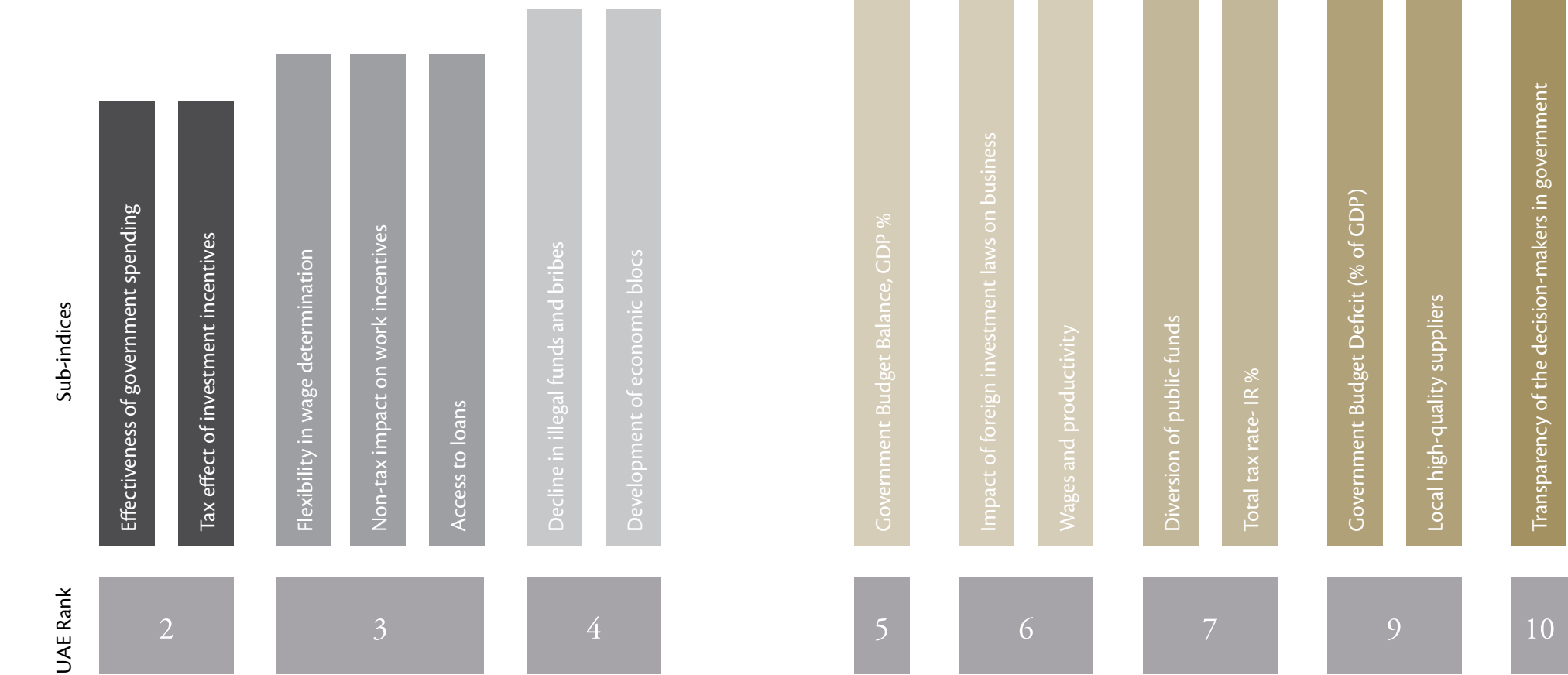


## Subindex C: Innovation and sophistication factors



The World Competitiveness Yearbook is issued annually by the International Institute for Management Development (IMD) World Competitiveness Centre, a research institute specialising in economic development since 1989. The Yearbook benchmarks the performance of 60 countries based against 300+ sub-indices which evaluate competitiveness. The measurement criteria is categorised under four main groups including Government Efficiency, Economic Performance, Business Efficiency and Infrastructure.

The UAE has been listed in the eighth position in the 2013-2014 World Competitiveness Yearbook. It was ranked 16th in 2012. The following table outlines the UAE's rankings for the sub-indices of the report:





# Corporate Excellence

**The strong results delivered by the Ministry in 2014 reflect the high level of excellence achieved across various areas of its operations including the implementation of its strategic plan, which is designed to enhance transparency and strengthen the UAE's position on a regional and global level.**



# Certificates and Awards

**May 2014**

The Sheikh Khalifa  
Government Excellence  
Programme

## Mohammed bin Rashid Government Excellence Award in its third session 2014

**Main Award:**  
The distinguished federal  
entity (less than 900  
employees)

**Subset Award:**  
The distinguished federal  
entity in institutional  
leadership

**Subset Award:**  
Distinguished work teams  
category



**26 November 2014**

Sheikh Khalifa  
Excellence Award 2014

## Government Sector Gold Award

Public Sector Gold Category



**13 May 2014**

## Card & Payments Middle East Exhibition and Conference

Best Prepaid Programme  
Award "E-Dirham system"

**25 February 2015**

Standard certification system for IT  
management - management services  
ISO20000

ASC - Australia







Emirates Gate of GFS Reports system directory

Government Finance Statistics Manual

Legal Services Directory 2014-2015

MoF's media supplement to mark the UAE's 43rd National Day

E- newsletter – Financial Index

The general federal budget for the fiscal year 2014

The Ministry believes in documenting all financial legislations and policies that are implemented at a federal government level as it believes this explanatory evidence can support government officials in improving financial data accuracy and effectiveness. Specifically, the Ministry has raised awareness about the latest achievements through the following reports and publications:



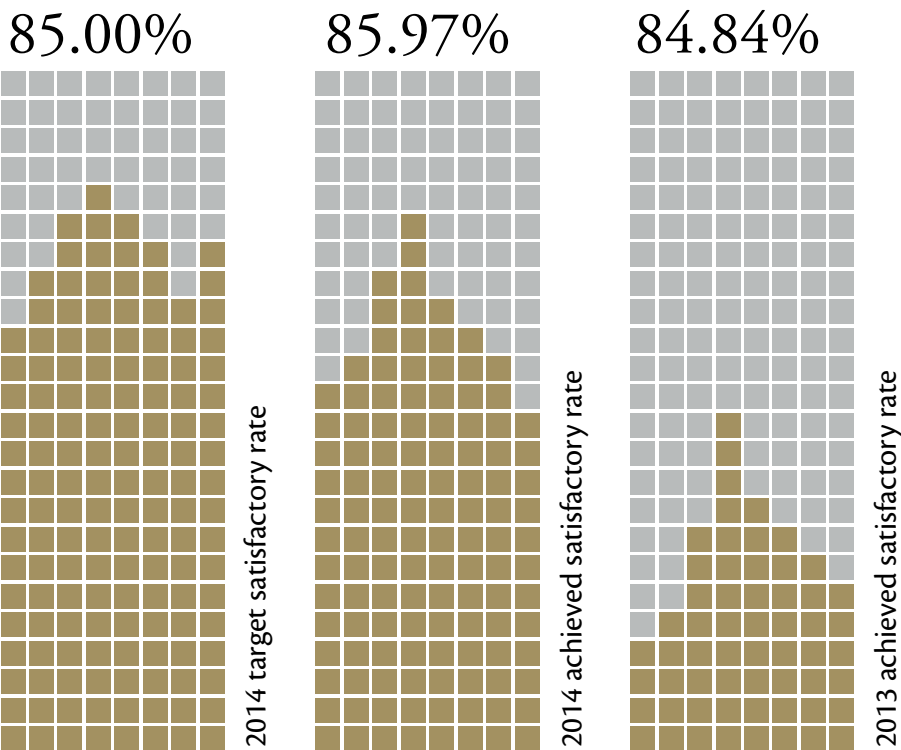
# MoF and the Community

**Supporting communities is a top priority for the Ministry, on both a local and global level, and it is committed to providing opportunities for employees to participate in environmental and corporate social responsibility (CSR) activities. This is reflected through the Ministry's ongoing efforts to provide support to those affected by natural disasters and conflict in different parts of the world.**

# Social responsibilities

The Ministry has conducted a community survey in which 900 UAE citizens and residents participated. The survey covered a number of topics including social responsibility and the environment. Results showed that the community's overall satisfaction rate reached 85.97% in 2014; representing a 0.97% increase in the target rate set for the same year and a 1.13% increase compared to 2013 results.

Results of the 2014 community survey:





# The Ministry in the eyes of the community

## Abu Dhabi Police General Command

The Ministry of Finance is considered one of the most committed government institutions in terms of strengthening social security in the UAE. One way in which this is reflected is through its efforts to update employees on the Ministry of Interior's latest security and safety measures.

Abu Dhabi Police General Command previously organised a series of awareness workshops for the MoF's employees on traffic safety during which participants reviewed the latest local and international technologies and statistics on this matter. Participants also had the opportunity to review Abu Dhabi's traffic safety indicators and traffic accident rates, which are a key concern considering the increased rate in road traffic deaths globally.



## Red Crescent Authority

The Ministry is committed to supporting humanitarian initiatives run by the Red Crescent Authority. This is reflected through its continuous humanitarian aid contributions to residents of areas affected by natural disasters or conflict.

The Ministry has demonstrated its dedication to supporting the UAE's mission to development projects in poor countries. In addition, it has provided assistance after humanitarian crises, including in Pakistan, Azerbaijan, Bangladesh, Bosnia Herzegovina, Sudan, Sri Lanka, Somalia and Syria.



### Type of Event

### Activity

- Gitex Technology Week 2014
- COMEX Oman

### Exhibitions

- Annual Ramadan Forum
- Blood Donation Campaign
- Beach Clean Up Campaign
- Personal Banking Workshop
- Participation in Labour Day Activities
- Dangers of excessive speed lecture
- Flag Day activities
- 43rd UAE National Day Celebrations
- MoF's celebrations after winning the Mohammed bin Rashid Government Excellence Award with HH Sheikh Hamdan bin Rashid Al Maktoum, Minister of Finance

### Internal Activities

- Hosting Indonesian delegation
- Receiving Australian Treasurer
- Receiving New Jersey's Chief Minister
- Receiving a delegation from the Trade and Industry Department in Hong Kong
- Receiving a Kuwaiti delegation
- Receiving the President of the European Bank for Reconstruction and Development (IFAD)

### Visits

- The General Secretariat of the Gulf Cooperation Council honouring MoF
- Honouring winners of the Mohammed bin Rashid Government Excellence Award

### Honouring