



UNITED ARAB EMIRATES
MINISTRY OF FINANCE



NATIONAL ACHIEVEMENTS FOR A PROMISING FINANCIAL FUTURE

ANNUAL REPORT 2020





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

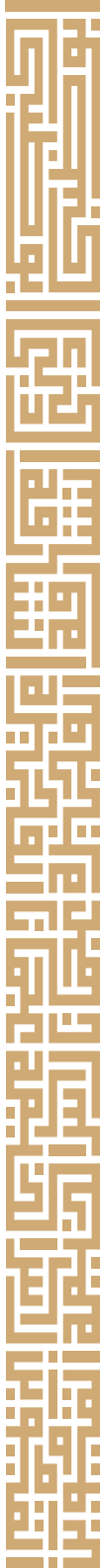
“ The path towards a better future begins with the diversification of the sources of national income...
When we create opportunities for small scale enterprises and for tourism, financial and logistic services; and when we invest in human resources, we actually mean diversification. ”





HH Sheikh
Mohammed bin Rashid Al Maktoum
UAE Vice President,
Prime Minister and Ruler of Dubai

“ The next phase requires the introduction of the latest technologies that can support the growth of various business sectors. We are not only trying to meet the requirements of the present time but also be a major contributor to shaping the future of the world’s economy. ”



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HH Sheikh

Hamdan bin Rashid Al Maktoum

Deputy Ruler of Dubai and UAE Minister of Finance



“ Commendable achievements amidst a world of challenges ”

In light of the circumstances witnessed across the globe as a result of the COVID-19 pandemic, 2020 was indeed an exceptional year; with the economic, financial and social repercussions being reflected on all sectors and social segments. As such, the Ministry of Finance instigated a set of comprehensive and effective steps and procedures to mitigate the impacts of the pandemic, while seeking to safeguard the stability of the UAE's financial sectors. Most notably, the MoF stepped up coordination and collaboration efforts with all government entities and confirmed the continuity of its services. The ministry also launched a series of economic incentives; coupled with a reduction of government entity fees, owing to its continuous support of the national economy and commitment to catalysing the stability of businesses.

MoF was amongst the first institutions worldwide to instigate the necessary measures and procedures for tackling the implications of the pandemic; and had shared its experience at a global level.

The ministry was also able to realise economic targets and milestones, whilst driving comprehensive and sustainable development, making the UAE an exemplary worldwide pioneer.

The national economy was able to overcome exceptional challenges; and the financial policies devised on a national level reaped numerous rewards, which have reflected on the continuity of sustainable development plans and on ensuring the welfare of nationals and expats alike. The UAE's business sectors persevered during the crisis, as did the public finance sector, whose efficiency throughout the year culminated in the UAE's achievement of an AA- rating with a stable outlook by Fitch. This rating reflects a robust and resilient national economy that commands the ability to persevere through the toughest challenges. Moreover, Moody's awarded the UAE government a rating of Aa2 with a stable outlook, which is the strongest sovereign rating in the region.

HE

Obaid Humaid Al Tayer

Minister of State for Financial Affairs



“ Effective contribution to support recovery and development efforts ”

The Ministry of Finance has attained promising achievements and an active presence nationally, regionally and globally throughout 2020, which targeted the realisation of the MoF's strategic objectives whilst mitigating the implications of the COVID-19 pandemic. Most notably on the national front, the ministry maintained the status of the UAE as one of the top global economies, by consistently assisting all sectors in adjusting to new realities brought about by the crisis. The MoF ensured the readiness of its electronic services, making them available to all customers around the clock, whilst reducing or voiding government service charges at a national level. As such, the ministry has played a significant role in coordinating the operation of all federal entities in order to support the economy and extend financial incentives to business sectors, whilst endorsing business continuity, growth and mitigating the repercussions of COVID-19.

The ministry also sought to enhance domestic laws and regulations for the purpose of boosting investor confidence in the local economy

and driving comprehensive and sustainable development in the UAE, so as to preserve its stature as a global economic, financial and commercial hub.

Accordingly, Federal Law No (4) of 2020 On Securing Interest with Movable Property was issued, the insolvency law was amended and the UAE's status as one of the best global investment destinations was maintained.

On the regional front, the MoF worked to enhance communication between Arab countries, strengthen structural reforms that foster growth and build the cash reserves of Arab nations. This was exemplified through its participation in organising the Arab Finance Forum. The UAE also rolled-out positive experiences throughout the COVID-19 crisis with the objective of boosting the adaptability of Arab countries, together with working to resume collaborative efforts towards recovery and sustainable growth. The ministry had also partaken in the G20 meetings convened for assisting less developed countries to respond to critical economic requirements in the aftermath of the pandemic.

About the Ministry of Finance

ABOUT THE MINISTRY OF FINANCE

VISION

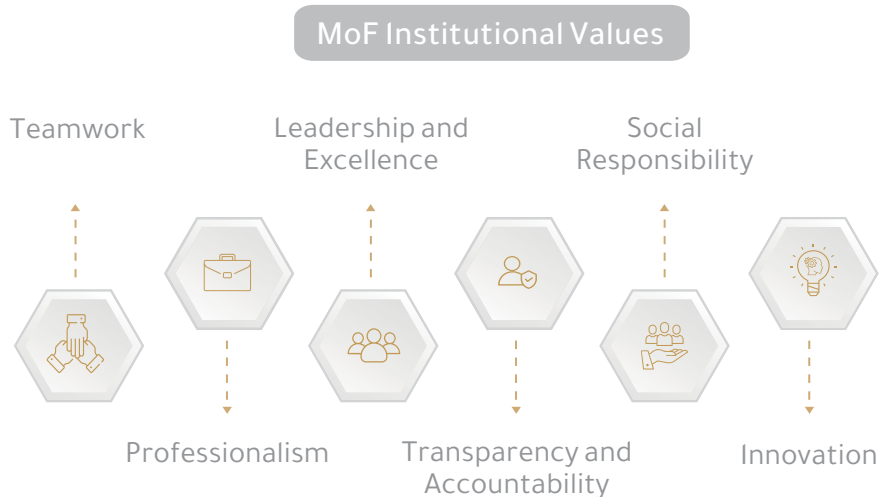
To be a global leader in the fiscal field and to contribute to achieving the UAE Vision.

MISSION

To efficiently and proactively manage and develop the federal government financial resources through active fiscal policies, excellent abilities, and local and international relations in order to achieve development, sustainability, and integrity of the fiscal system in accordance with best practices.

VALUES

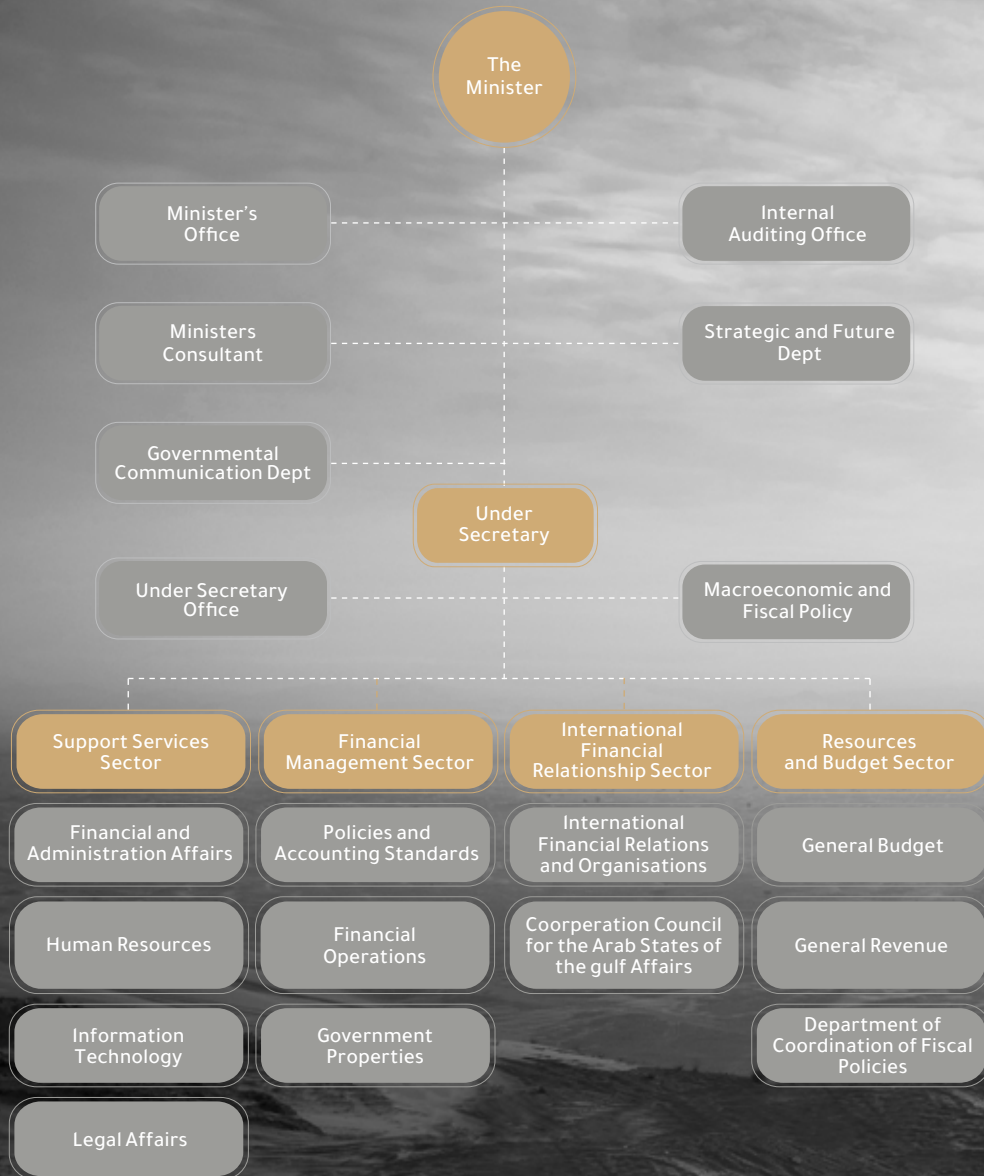
Our values create a positive energy within our organisation, and are the driving force that takes us towards the accomplishment of our strategic goals and the fulfilment of our mission. Our values provide the framework that brings our team together to improve our performance, within an environment that motivates us to excel at everything we do.



MINISTRY OF FINANCE IS COMMITTED TO BE



ORGANISATIONAL STRUCTURE



LEADERSHIP COUNCILS AND COMMITTEES

- ▶ Based on its institutional values, the MoF relies on a number of councils and specialised committees that work in an integrated manner to carry out the tasks assigned to the ministry.

General Budget Committee

Assignments of this committee include the consideration and coordination of topics relating to the federal budget; developing government performance and the UAE's economic relationship with countries, economic groups, regional and global agencies, organisations and funds; in a manner that serves the overarching interests of the UAE.

The General Budget Committee's most notable achievements in 2020

- Convening three meetings during the financial year 2020 in which a number of financial topics and reports pertaining to the general federal budget were reviewed, in the midst of the exceptional circumstances witnessed by the country as a result of the COVID-19 pandemic.
- Presenting the necessary recommendations to the reputable Cabinet insofar as tackling the effects and repercussions of COVID-19, by controlling the expenditures of the general federal budget, with the objective of rationalizing general expenses.
- Monitoring the cash position of the federal government, in light of the decisions and directives issued for controlling the expenditures of the general federal budget, and submitting the required recommendations to the reputable Cabinet.
- Providing the necessary financial provisions to federal entities so that they may pay their financial commitments relating to the COVID-19 pandemic, as well as emergency expenses.

MOF LEADERSHIP COUNCILS AND COMMITTEES (CONT'D.)

- Directing federal entities to improve productivity and efficiency of work operations, the distribution of expenses and the collection of federal revenues.
- Directing Federal entities to review laws and legislations in light of the new developments brought about by the pandemic.
- Presenting recommendations on the supplementary budget requested for federal entities, valued AED 2,137.1 billion, to the Cabinet.
- Presenting recommendations on the financial allocations required by the UAE's housing plans and developments.
- Presenting recommendations to the Cabinet on approving the strategy and work plan of the Federal Government Public Debt Strategy 2021-2023.



Government Financial Policy Coordination Council

The Council's mandate includes overseeing the collection of data and government financial reports on a state level, formulating the government's financial policies, in addition to submitting financial reports on the Council's operation to the Cabinet. The MOF is Council Secretary and monitors the implementation of its recommendations and resolutions.



The Government Financial Policy Coordination Council's most notable achievements in 2020

- Working with governments of the emirates on secondary initiatives involving six pillars to contribute to envisioning the MoF's plan for the next 50 years on "Financial Resource Sustainability and the Long-Term General Finance Strategy".
- Initiating work on the National Payment Portal.

- Preparing the consolidated financial report for the Q4 of 2019 and the financial report for Q1, Q2, Q3 and Q4 of 2020.
- Preparing the consolidated report of the UAE, which contains the financial statements for the financial year ending 2019.
- Launching the upgraded version of the UAE Smart Gate for Government Finance Statistics Reports.
- Completing the public budget project, which was launched in 2016 with the objective of compiling the consolidated financial position of the UAE (assets and liabilities).
- Contributing to coordinating efforts between emirates' governments and the federal government regarding developments pertaining to the liquidity status, anticipated government deficit, required government funding in the medium-term and estimating the needs of the banking sector.
- Finalising the draft agreement by and between the MoF, the Central Bank of the UAE and local financial departments for activating Article (34) of the Central Bank Law and financial activities for coordinating the finance and cash policies.
- Coordinating with the UAE governments and the Federal Competitiveness and Statistics Centre regarding the fulfilment of the financial statements requirements for the National Summary Data Page (NSDP).
- Implementing the financial regulations of the Special Data Dissemination Standard (SDDS) nation-wide, in coordination with the UAE governments.
- The UAE was ranked 16th globally in the Open Data Inventory 2020, and 2nd in West Asia.

MOF LEADERSHIP COUNCILS AND COMMITTEES (CONT'D.)



Financial Restructuring Committee

The committee supervises the financial restructuring procedures of financial institutions; appoints experts in financial restructuring, bankruptcy and insolvency; conditions and procedures for registration experts list; establishes an electronic record of individuals with a bankruptcy ruling; as well as organises and sponsors initiatives that raise public awareness of the bankruptcy law and its goals.



The Financial Restructuring Committee's most notable achievements in 2020

- Approving the guide of criteria and conditions for registration on the list of experts approved by the Financial Restructuring Committee, pursuant to the committee's resolution no (1/4) of 2020.
- Approving the evaluation tests for assessing Financial Restructuring Committee experts, pursuant to the committee's resolution no (2/5) of 2020.
- Accepting (2) restructuring requests submitted by companies in financial distress to the Financial Restructuring Committee.
- Convening 8 meetings that included numerous decisions relevant to companies in financial distress and the committee's administrative and technical procedures.
- Contributing to the amendments introduced to Federal Decree Law No (9) of 2016 on Bankruptcy.
- Coordinating with the UAE courts on the compilation of a list of trustees and experts in the field of bankruptcy, who are approved by the courts, for the purpose of consolidating the list and reassessing experts, pursuant to the new criteria and conditions issued by the committee.
- Convening various meetings with companies for following-up their financial restructuring procedures and preparing the restructuring plan.
- Convening several meetings with officials of creditor banks, in relation to the companies that had submitted requests to the committee.



ABOUT THE CALL CENTRE

The Call Centre seeks to develop and improve various services to meet the needs of all types of customers. It also ensures to answer all inquiries in both Arabic and English throughout the official working hours, via multiple channels including phone calls, emails, live chat, the inquiries system and the technical support system and services “Talbiya”. The centre serves as an effective communication channel, operating as per the operational performance indicators that include target values, in line with best practices and international standards.

☆ The Call Centre’s most notable achievements in 2020

- Following up the monthly reports of the results of the centre’s performance indicators to identify gaps and address them.
- Automatic linking between the centre’s systems and the Tableau to achieve maximum efficiency and monitor performance.
- Upgrading the technical support system and services “Talbiya” to the newest version, allowing a smooth, reliable and fast process for submitting requests, and serving as an accurate database.
- Providing services to all segments of society via phone calls, emails, live chat, the inquiries system and Talbiya.
- Achieving 81.08% in the quality of services index, whilst the target is 80%.
- Achieving 91.40% in the customer satisfaction index, whilst the target is 90%.
- Achieving 82.66% in the index of the percentage of calls answered within service time, whilst the target is 80%.



Strategic Objectives Achievements

The Fourth Strategic Session (2017-2021) identified six strategic goals, which the Ministry of Finance seeks to achieve efficiently and effectively, through the implementation of a set of projects, plans and initiatives aimed to improve government work.

FIRST STRATEGIC OBJECTIVE ACHIEVEMENT

- Promote the fiscal planning of the federal government and the general fiscal sustainability.



Activity	Department	Achievement Rate
Innovation Fund	CEO of Innovation	More than 95%
Accelerator Programme	CEO of Innovation	
Managing general budget for innovation	CEO of Innovation	
Financial risk management and control	Macroeconomic and Fiscal Policy	
Establishing a training program for capacity building in finance and accounting at federal entities	Policies and Accounting Standards	
Preparing the federal budget and devising mechanisms as per public expenditure forecasts	General Budget	
Analysing and evaluating expenditure reduction opportunities; and estimating reserve targets, revenues and government spending	General Budget	
Preparing federal public revenue forecasts and improving its mechanisms	General Revenue	
Developing and diversifying sources of public revenue	General Revenue	
Managing government investments	International Financial Relations and Organisations	

SECOND STRATEGIC OBJECTIVE ACHIEVEMENT

- Improve the efficiency and effectiveness of the budget and manage the financial position and cash flows of the federal government.



Activity	Department	Achievement Rate
Enhancing and developing mechanisms to monitor implementation of the budget	Financial Operations	More than 95%
Developing and implementing the federal government's electronic financial system	Financial Operations	
Improving the quality of data related to budget implementation and monitoring	Financial Operations	
Managing cash flow	Financial Operations	
Enhancing joint cooperation with the Prime Minister's Office to review the performance of financial enablers of the federal government	Financial Operations	
Managing government assets	Government Properties	
Collecting and monitoring the UAE's revenues	General Revenue	
Developing monitoring methods and collection systems for the federal government's revenues	General Revenue	

THIRD STRATEGIC OBJECTIVE ACHIEVEMENT

- ▶ Maintain the financial and economic interests of the UAE at an international level.



Activity	Department	Achievement Rate
Benefitting from global organisations to serve the UAE's economy	International Financial Relations and Organisations	More than 95%
Committing to international requirements with regards to transparency and the exchange of tax-related information	International Financial Relations and Organisations	
Signing agreements on the avoidance of double taxation and investment protection and encouragement	International Financial Relations and Organisations	
Activating the role of the UAE in GCC financial and economic committees	Cooperation Council for the Arab States of the Gulf Affairs	
Strengthening the GCC's economic integration to serve the UAE's financial and economic interests	Cooperation Council for the Arab States of the Gulf Affairs	

FOURTH STRATEGIC OBJECTIVE ACHIEVEMENT

- ▶ Strengthen the UAE's competitiveness in the fiscal and economic fields.



Activity	Department	Achievement Rate
Studying the legislative framework for innovation	Innovation	More than 95%
Preparing and reviewing the federal government's financial regulations and policies	Policies and Accounting Standards	
Unifying the UAE's financial policies	Coordination of Fiscal Policies	
Unifying the UAE's financial data	Coordination of Fiscal Policies	

FIFTH STRATEGIC OBJECTIVE ACHIEVEMENT

- ▶ Render all administrative services as per the highest standards of quality, efficiency and transparency.

 **19**
Activities

 **120**
Indicators

Activity	Department	Achievement Rate
Implementing the requirements of volunteer work at the ministry	Government Communication	More than 95%
Media activity management	Government Communication	
Planning and coordinating internal and external communications	Government Communication	
Customer relationship management	Strategic and Future	
Preparing to partake in the Sheikh Khalifa Government Excellence Program	Strategic and Future	
Quality management	Strategic and Future	
Enhancing the ministry's preparedness to achieve smart e-government enablers	Strategic and Future	
Developing the operational and strategic plan	Strategic and Future	
Conducting internal audits	Internal Audit Office	
Human resource planning and recruitment	Human Resources	

Activity	Department	Achievement Rate
Staff training and development	Human Resources	More than 95%
Preparing the budget and monitoring its implementation	Financial and Administration Affairs	
Managing procurement and contracts	Financial and Administration Affairs	
Maintenance and common services	Financial and Administration Affairs	
Developing electronic systems and applications	Information Technology	
Providing technical support to users (help line)	Information Technology	
Infrastructure and information security	Information Technology	
Preparing legal studies and consultation	Legal Affairs	
Managing legal affairs	Legal Affairs	

SIXTH STRATEGIC OBJECTIVE ACHIEVEMENT

- ▶ Enhance the culture of innovation in the organisational work environment.

5 Activities

12 Indicators

Activity	Department	Achievement Rate
Implementing training programs for employees in the field of innovation	-	More than 95%
Launching internal awareness campaigns to foster a culture of innovation among employees	-	
Launching internal competitions to motivate innovators	-	
Forging partnerships in the field of innovation with academic institutions/global organisations/think tanks/ the private sector	-	
Establishing innovation labs and organising brainstorming sessions to spark new ideas	-	

AWARDS AND CERTIFICATES



In 2020, the Ministry of Finance attained the Sharjah Government Communication Award for “Best Media Crisis Management” category, in appreciation of its efforts for implementing the value added tax in the UAE. The MoF has established an effective communication strategy to communicate with the public and to provide clear and simple information in a proactive and transparent manner. The MoF also obtained 7 global quality management certificates from Bureau Veritas.

 Sharjah Government Communication Award for “Best Media Crisis Management” Category

- ▶ ISO 9001:2005
- ▶ ISO 14001:2015
- ▶ ISO 45001:2018
- ▶ ISO / International Electrotechnical Commission 27001:2013
- ▶ ISO 22301:2012
- ▶ ISO / International Electrotechnical Commission 2000-1:2018
- ▶ Specification for Integrating Common Management Systems PAS 99:2012

Achievements of 2020



UAE'S EFFORTS FOR TACKLING THE COVID-19 PANDEMIC



The government of the UAE has spared no efforts in safeguarding the wellness of nationals and expats alike from the impact and implications of the novel coronavirus pandemic; whereby the leadership has instructed all ministries and federal entities to undertake all precautionary measures for ensuring the health and safety of the public. The UAE was able to significantly reduce the spread of the virus, thanks to its swift response and strict preventive measures imposed. It was named the 1st regionally and 9th globally on the list of the safest countries amidst the pandemic, according to a list published by Deep Knowledge Group for technological research in September 2020. The following are some of the steps and procedures instigated by the UAE for containing and mitigating the spread of COVID-19.



Providing exceptional medical care and equipping health authorities with the necessary tools and supplies to tackle the pandemic.



Imposing restrictions on social events, celebrations, gatherings and visits; while implementing safety measures in restaurants and cafes.



Implementing comprehensive disinfection and sterilisation throughout the UAE, using sterilisation sprinklers and even drones.



Installing thermal cameras and scanners in shopping centres and undertaking strict precautionary measures when shopping.



Suspending all international travel and passenger flights to all destinations temporarily, in order to safeguard the country's borders and maintain public health and safety.



Shifting from conventional educational methods at schools and universities to distance learning via digital channels.



Imposing strict measures for visitors at beaches, parks, open areas, sports clubs and other facilities.



Approving a bundle of economic incentives totalling some AED 126.5 billion to support the national economy and assist SMEs.



The UAE has provided aid to more than 1.6 million healthcare workers around the world, whereby it dispatched 1613 tons of aid to 120 countries since the start of the pandemic and until September 2020.

MOF'S MOST NOTABLE ACHIEVEMENTS

The MoF has adopted numerous advanced solutions and used the latest smart financial systems and technologies to automate government work, ensuring business continuity and safeguarding seamless procedures and processes at the utmost efficiency, especially during the COVID-19 crisis. The ministry also continued to provide services to all customers – whether corporate or individual – in the UAE electronically, through various digital platforms and channels. Despite the exceptional circumstances witnessed in 2020, the MoF was able to realise numerous achievements; the most notable of which was launching the following initiatives and systems:



Unified Digital Platform

The MoF launched phase one of the unified digital platform, which automates the settlement of local and federal government charges, with the aim of ensuring speed, efficiency and effectiveness in settling all government revenue transactions.



Smart System for Job Budgets

This smart system is the first of its kind in the region and automatically connects the automated budgeting system, transportation system, Bayanati system and the Federal Financial Management Information System (FMIS), while contributing to eliminating all paper transactions.



Federal Transition to Accrual Accounting

The objective of this programme is to manage and develop the financial resources of the federal government effectively and accurately in accordance with best international practices. The ministry's team developed the system remotely in terms of training, trial and launch.



Federal Automated Revenue Estimation System

The FARES system was launched for all federal entities in the UAE to automate the ministry's revenue estimations model and further improve integration of data across various systems to calculate estimates. This facilitates decision-making and saves considerable time and effort.



Notification and Reporting System

The multinational's companies (MNEs) notification and reporting system aims to incorporate the best digital solutions into government functions, while facilitating the submission of Country-by-Country (CbC) reports separately by MNEs.



The New Generation eDirham

The Ministry of Finance has launched the new generation eDirham, which includes three new cards and the eDirham app "Instant" that enables users to carry out their transactions via mobile phone with complete ease and convenience.

MOF'S MOST NOTABLE ACHIEVEMENTS (CONT'D.)



Collection of Revenue and Public Funds System

The MoF launched this system as part of its efforts to adopt the best digital solutions for government financial work and to develop smart processes and mechanisms to collect national debt in accordance with best international practices.



A New Version of MoF's Smart App

The new version of MOFUAE smart app was developed based on the most cutting-edge technologies and offers innovative features and options, including a special Lite version for people of determination. This application is considered the first of its kind at the level of federal entities.



Next Phase of the Mohammed bin Rashid Innovation Fund

The next phase of the Mohammed bin Rashid Innovation Fund seeks to manage and operate the fund under one national umbrella, whereby all services provided by the fund will be linked and integrated in a way that benefits all the fund's innovative members.



Federal Law No (4) of 2020 on Securing Interest with Movable Property

The ministry issued this law to address the challenges facing certain projects and companies in accessing the financing and liquidity required to develop their business. The law also improves the ability of financial institutions to expand their lending operations.



Federal Decree-Law No (19) of 2020 regarding Trusts

The law was launched with the aim of supporting the country's growing wealth management sector, providing new mechanisms for managing businesses and family funds, and encouraging charitable trusts. All members of society, whether natural or legal, can benefit from this law.



THE MINISTRY'S MOST NOTABLE ACHIEVEMENTS (CONT'D.)



Federal Budget for Financial Year 2021

The UAE's Federal budget 2021 was approved at a total expenditure amounting to AED 58 billion and a focus on social and economic development, with the aim of improving living standards and provide a decent quality of life to the citizens and residents of the UAE.



MoF in the GCC meetings

The MoF has chaired 5 meetings of the GCC Ministers of Finance, 3 meetings of the GCC Committee of Undersecretaries of the Ministries of Finance, and 10 meetings of the GCC technical committees. During its presidency of the GCC meetings, MoF contributed to strengthening joint Gulf work and cooperation, and discussing financial and economic integration, which is a priority that must be focused on in the next phase. The ministry was also keen to support the activation of what was stated in the vision of the Custodian of the Two Holy Mosques King Salman bin Abdulaziz Al Saud, may Allah protect him (36th session - December 2015), and the Riyadh Declaration (40th session - December 2019), which tackles a number of matters including achieving economic unity among the GCC countries by 2025.

The ministry also worked on enhancing coordination and communication with the GCC countries with the aim of achieving comprehensive and sustainable economic growth. A set of proposals and initiatives were presented on behalf of the UAE to strengthen the economic work system and deepen financial and economic integration, to be adopted at the level of the GCC countries. The ministry also submitted a periodic report to the Secretary General of the Gulf Cooperation Council that includes the steps and measures taken by the UAE through the adoption of financial and monetary policies regarding COVID-19.

Global Footprint



THE MINISTRY OF FINANCE IN THE G20 SUMMIT



The MoF has led the UAE's participation in the Finance Track meetings, after receiving an invite to participate in the G20 meetings from the Saudi Presidency. The UAE was invited as a regional representative in its capacity as the Chair of the Gulf Cooperation Council for the year 2020. The meetings started with a meeting for the Finance and Central Bank deputies in December 2019 and ended with a closing meeting for the Finance Ministers in November 2020; and the MoF played a prominent role in these meetings.

MOF'S ACHIEVEMENTS IN THE G20 FINANCE TRACK MEETINGS

The Finance Track of the G20 covers economic and financial policy issues through four main priorities. These represent the following: Addressing global macroeconomic issues, promoting Digital Financial Inclusion for underserved and vulnerable groups, addressing emerging financial sector issues, and promoting digital and resilient infrastructure. Below are some of the ministry's achievements and contributions within its participation in the G20 Finance Track.



The MoF has been invited to participate as a non-G20 member in the Global Partnership for Financial Inclusion working group for three years from 2021 to 2023.



Valuable suggestions including the need for the G20 to address all regulatory and supervisory issues relating to Stablecoins, which has been supported by several other influential G20 members.



Decisive contributions to several aspects of the G20 2020 infrastructure agenda. These include hosting a G20 meeting in the UAE and leveraging technology to maintain and build resilient infrastructure.



Launching the debt service suspension program which provides flexible debt suspension terms to a wider beneficiary group including the private sector.



The Ministry of Finance held 11 bilateral meetings to build relationships and partnerships with influential G20 countries.



Reviewing, analysing and contributing to the preparation of more than 600 Finance Track documents.

COMPETITIVENESS INDICATORS FOR 2020

The MoF primarily follows up three global competitiveness reports through working with the Federal Competitiveness and Statistics Centre to monitor, review and analyse a number of significant global reports and rankings. This is to gauge the UAE's competitive financial performance, within the framework of its economic vision and development strategy, in a manner that reflects the actual development efforts undertaken by the UAE, in line with best international practices and in order to enhance its competitiveness, global ranking and attractiveness to investments, as well as strengthening its integration with the world economy. The following is an overview of these reports and the performance of the UAE on various indicators:

WORLD COMPETITIVENESS YEARBOOK ISSUED BY THE INSTITUTE FOR MANAGEMENT DEVELOPMENT (IMD)

This report evaluates nations according to efficiency in managing resources to achieve prosperity for the people. The report covered 63 countries in 2020 and bases its approach on the results of surveys and statistical data, ranking nations on the basis of four key factors: economic performance, government efficiency, business efficiency and infrastructure. A total of 24 factors are listed under these 4 key factors, covering 338 indicators. The 2020 version witnessed a change in its approach, whereby 22 new indicators were added.



The UAE's Global and Regional Performance

The UAE led on the Arab front and was ranked first regionally, scoring 93.505 as follows:

- First place globally in 106 indicators out of a total of 338 indicators
- Fifth place globally in 59 indicators and first globally in 23 indicators
- Third globally in taxation policy
- Third globally in government efficiency
- Fourth globally in economic performance
- Fifth globally in public finance

EASE OF DOING BUSINESS INDEX ISSUED BY THE WORLD BANK

This report measures the efficiency of business regulations in 190 economies worldwide via 10 areas, analysed through executive and legislative topics. The executive topics include starting a business, dealing with construction permits, getting electricity, registering property, paying taxes and cross-border trade. Legislative topics include getting credit, protecting minority investors, enforcing contracts and resolving insolvency.

COMPETITIVENESS INDICATORS FOR 2020 (CONT'D.)

The UAE's Global and Regional Performance

The UAE ranked 16th globally and leads on the competitiveness front on a regional level for the seventh consecutive year, ranking among the top 10 countries worldwide in 4 out of 10 areas as follows:

- First globally in 106 indicators out of a total of 338 indicators
- Fifth globally in 59 indicators and first globally in 23 indicators
- Third globally in taxation policy

This is in addition to the following two areas:

- Obtaining credit (48th globally)
- Resolving insolvency (80th globally)

GLOBAL COMPETITIVENESS REPORT ISSUED BY THE WORLD ECONOMIC FORUM

The Global Competitiveness Report 4.0 measures the competitiveness ability of countries through 12 pillars and includes 103 sub-indicators; focusing on the 4th industrial revolution as a pathway towards boosting competitive ability, with 70% of weight based on hard data and 30% on surveys.



The UAE's Global and Regional Performance

In 2019, the UAE improved its ranking by two places compared to its ranking in 2018, thus achieving the 25th place globally and the 1st in the Arab world, with a total score of 75 points (out of 100). The UAE was among the top ten performers in 34 indicators and achieved the following rankings:

- First globally in debt dynamics and low credit gap
- First globally in macroeconomic stability
- Thirty-first globally in financial system
- First among GCC countries

Promising Future



HE

Younis Haji Al Khoori

Undersecretary of the Ministry of Finance



“ A year of success... paving the way for an even brighter future ”

This year, the Ministry of Finance has realised unprecedented achievements at multiple levels that fulfil its strategic goals and further its leading role. On the national level, our most distinguished achievements included launching the Segregation of Duties system, the Federal Automated Revenue Estimation System “FARES” and the unified digital platform to settle fees for federal and local government services. We have also completed the transformation process by the federal government to the accrual basis of accounting framework and made significant progress with the government procurement platform, while focusing our efforts on increasing awareness about Economic Substance Regulations, via all media channels and virtual training workshops that were attended by a large number of global company representatives.

Moreover, we successfully managed to launch the next phase of the Mohammed bin Rashid Innovation Fund, which seeks to manage and operate the fund and its programmes under one national umbrella. The MoF had partaken in the UAE Innovation Month by launching “MoF Innovates 2020” event at Etihad Museum, which hosted a panel of global experts. We also expanded our efforts in encouraging innovative entrepreneurship, owing to our goal

towards making the UAE’s economy an open global laboratory for experimenting with new concepts, advanced future technologies and an international platform for innovation and entrepreneurship. This contributes substantially to the development of new industries and sectors, which the UAE can assume a leading role in adopting and driving worldwide.

On an international level, the MoF has contributed to creating and shaping the future of the global agenda by partaking through an Emirati delegation in the G20 summit meetings, in its capacity as President of the current GCC session. We also forged a strategic partnership between the Ministry of Finance, the Islamic Development Bank and the Dubai Islamic Economy Development Centre for the purpose of establishing a unified and global legal and legislative framework for the Islamic finance sector.

The achievements attained in 2020 are considered significant steps along our journey of accomplishments; and we shall continue to work towards cementing the UAE’s status as a global hub for growth, innovation and leadership, while contributing to creating a bright future for our nation and ensuring its leading role in all domains.

STRATEGIC PLAN 2021

OBJECTIVES AND STRATEGIES



First Strategic Objective: Promote the fiscal planning of the federal government and the general fiscal sustainability.

- Developing the federal government's financial strategic planning
- Public finance sustainability and risk management
- Innovation Fund
- Accelerator Programme
- Managing the innovation budget
- Building the financial and economic capabilities of the federal government



Second Strategic Objective: Improve the efficiency and effectiveness of the budget and manage the financial position and cash flows of the federal government.

- Developing innovative and efficient mechanisms to monitor the implementation of federal expenditure
- Developing innovative and efficient mechanisms to monitor the implementation of the collection of federal revenues
- Managing the financial position and cash flows of the federal government



Third Strategic Objective: Maintain the financial and economic interests of the UAE at an international level.

- Developing and strengthening relations with global financial institutions and organisations
- Developing and strengthening global financial relations on a bilateral level
- Activating the opportunities and benefits of the GCC's financial and economic integration



Fourth Strategic Objective: Strengthen the UAE's competitiveness in the fiscal and economic fields.

- Strengthening coordination of financial policies and data across the UAE
- Reviewing and developing financial policies and regulations
- The legal framework for innovation
- Maintaining the safety and integrity of the UAE's financial system



Fifth Strategic Objective: Render all administrative services as per the highest standards of quality, efficiency and transparency.

- Managing financial resources efficiently and effectively
- Managing procurement and contracts as per best international practices
- Implementing best human resources practices
- Ensuring the implementation of quality standards and institutional excellence
- Ensuring effective internal and external communication
- Implementing best international practices in leadership
- Establishing and developing the strategic plan and performance measurement
- Providing the best legal services
- Offering the latest IT services
- Providing shared services to all organisational units with high efficiency



Sixth Strategic Objective: Enhance the culture of innovation in the organisational work environment.

- Building employee capacity in the field of innovation
- Adopting the latest innovation tools and means within the ministry
- Creating a supportive and stimulating environment for innovation

Prominent Contributions



LOCAL, REGIONAL AND GLOBAL PARTICIPATION



HH Sheikh Hamdan bin Rashid Al Maktoum, the Minister of Finance, chaired the 41st meeting of the Financial and Economic Committee



HH Sheikh Hamdan bin Rashid Al Maktoum, Minister of Finance, chaired the first meeting of the General Budget Committee



HE Obaid Humaid Al Tayer, Minister of State for Financial Affairs, participated in the second virtual meeting for G20 ministers of finance and Central Bank governors



MoF signs an MoU with the General Secretariat of the GCC to implement it during Dubai Expo 2020

LOCAL, REGIONAL AND GLOBAL PARTICIPATION (CONT'D.)



MoF hosted the first Saudi-Emirati joint working group meeting of the Saudi-Emirati Coordination Council



HE Obaid Humaid Al Tayer, Minister of State for Financial Affairs, chaired the meeting of the team leading the government procurement platform at the Ministry of Possibilities



The UAE hosted the fifth meeting of Arab Deputy Ministers organised by the Arab Monetary Fund in collaboration with the MoF



MoF participated in the third UAE Hackathon as part of the UAE's Innovation Month

PROMINENT EVENTS ORGANISED BY MOF



Workshop on government's transition from accounting on a modified cash basis framework to accrual accounting



Interactive workshop held by the MoF as part of "MoF Innovates" events at Etihad Museum during the UAE's Innovation Month 2020



Remote training workshop on the automated budget preparation system for hiring budgets



Two workshops on the frameworks of implementing legislation governing Multinational Groups of Entities (MNEs) reports

PROMINENT EVENTS ORGANISED BY MOF (CONT'D.)



Active participation through the ministry's platform in GITEX 2020, at Dubai World Trade Center



Two workshops on developing the UAE's financial and statistical data reporting system, with the participation of financial departments and federal entities



The 2020 Annual Suppliers Forum held to enhance communication with customers and introduce the latest services of the ministry



A visit to the Louvre Abu Dhabi, with the participation of MoF employees and Arab Monetary Fund representatives, on the sidelines of the Deputy Finance Ministers meeting

MOF CSR INITIATIVES



Organising the Ramadan forum for strengthening proactive communication and interaction between MoF employees during the implementation of remote work procedures



Conducting the interactive lab session for MoF employees for brainstorming and enhancing social responsibility and volunteer work



Organising the annual blood donation campaign for MoF employees, in coordination with Abu Dhabi Blood Bank



Raising the UAE flag at the MoF in the presence of a number of employees, on the occasion of the UAE Flag Day



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