

Monthly Newsletter August 2025

The Pulse of Finance



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UAE Ranks 16th Globally in the 'Government Support Index' in the IMD World Competitiveness Yearbook 2025

The United Arab Emirates has achieved another landmark milestone in its record of global leadership, advancing to 16th place worldwide in the 2025 Government Support Index, one of the key indicators featured in the International Institute for Management Development's (IMD) World Competitiveness Yearbook.

This marks a remarkable jump of 27 positions from its 43rd place in 2024.

The Government Support Index measures the value of government support as a percentage of gross domestic product (GDP) and serves as a benchmark for the efficiency of public financial resource management, as well as a country's ability to stimulate economic growth through well-targeted and effective public spending policies.

The Ministry of Finance affirmed that the UAE's rise to 16th place globally reflects the efficiency of the nation's fiscal policies and the concerted efforts to enhance the effectiveness of public expenditure.

This progress has been achieved through an integrated framework of collaboration between the federal government and local The UAE ranked among the top ten

globally in several competitiveness indicators

in the IMD World Competitiveness Yearbook 2025

1st place globally in:

- · Venture Capital
- Personal Income Tax Collected (%)

2nd place globally in:

· Corporate Profit Tax Rate

3rd place globally in:

 Government Budget Surplus/Deficit (USD billion)

4th place globally in:

- Decrease in Indirect Tax Revenues Collected (%)
- Reduction in Consumption Tax Rate

5th globally in:

 Capital and Property Taxes Collected (%)

6th globally in:

Public Finance

7th globally and 1st regionally in

• General Government Spending (%)

9th globally in:

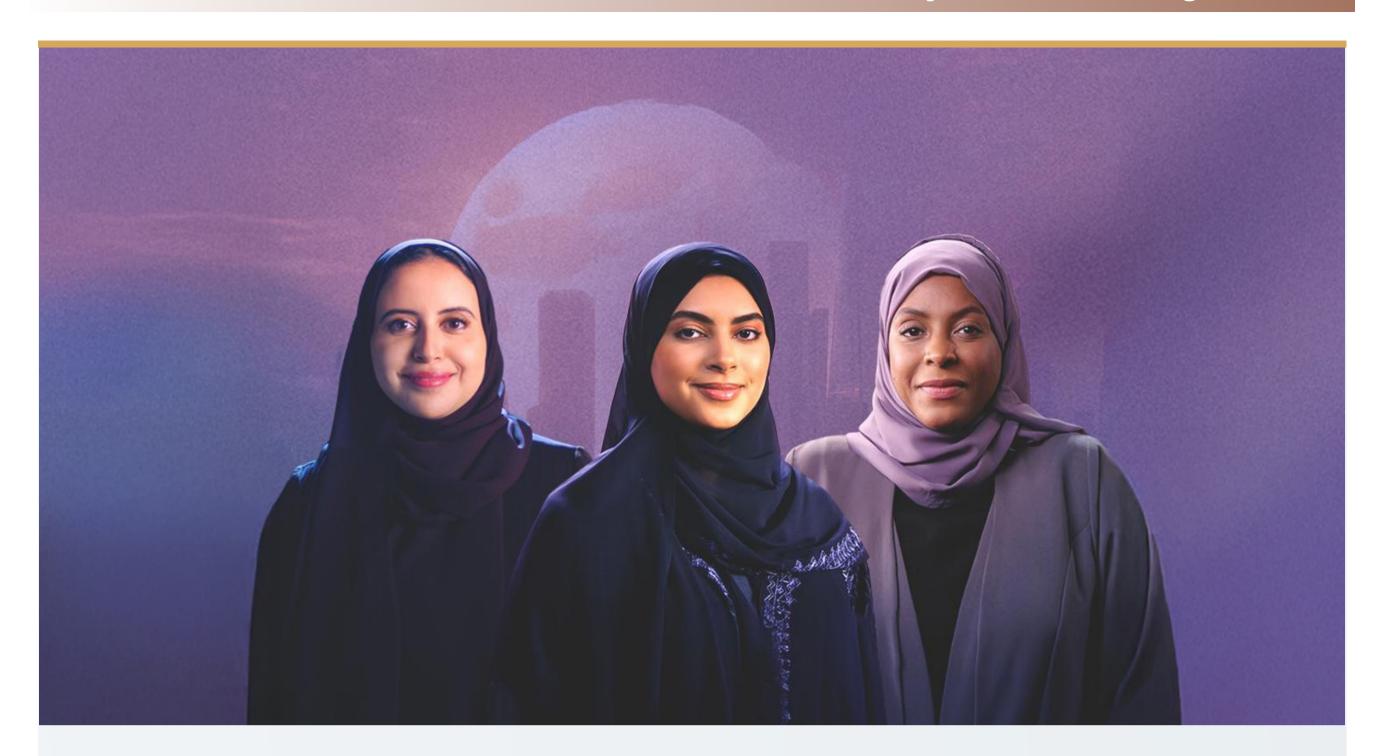
• Government Consumption Expenditure – Real Growth

financial departments to advance financial analysis tools and optimise resource allocation.

The Ministry further noted that it is continuing to strengthen the country's standing in the Government Support Index by improving the quality of financial data and promoting sustainability and fiscal balance practices, in line with the UAE's vision to enhance global competitiveness and achieve the Sustainable Development Goals, in close coordination with local finance departments.

The Ministry explained that this achievement demonstrates the increasing trust of international institutions in the UAE's public financial governance framework. It underscores the country's commitment to sustainability across sectors through the development of precise statistical financial reports that accurately reflect the scale and scope of government support, thereby enabling sound, evidence-based fiscal decision-making.

The Ministry stressed that it attaches great importance to strengthening fiscal transparency and developing the statistical data infrastructure, highlighting that enhancing data reliability and improving the level of financial disclosure are fundamental pillars in shaping public policy. These efforts reflect the UAE's adherence to the highest standards of financial governance, supporting economic stability and boosting its capacity to respond to global developments with agility and efficiency.



Mohamed bin Hadi Al Hussaini: Women at MoF Exemplify the Positive Impact of Government Policies Founded on Merit and Equal Opportunities

His Excellency Mohamed bin Hadi Al Hussaini, Minister of State for Financial Affairs, stressed that Emirati Women's Day is a national occasion to recognise the distinguished achievements of Emirati women and to honour their enduring role as indispensable partners in building the nation and advancing its progress.

His Excellency stated, "The theme of this year, 'Hand in Hand, We Celebrate 50 Years', reflects the vision of empowerment established with the founding of the General Women's Union (GWU) in 1975 under the leadership of Her Highness Sheikha Fatima bint Mubarak 'The Mother of the Nation', Chairwoman of the General Women's Union, President of the Supreme Council for Motherhood and Childhood, and Supreme Chairwoman of the Family Development Foundation (FDF)."

His Excellency noted that the Ministry of Finance has always been committed to playing a key role in shaping an integrated national framework based on the Principles of the 50, with a top priority given to developing national female talent and enhancing their role in financial policy, institutional decision-making, and digital transformation initiatives.

Younis Haji AlKhoori: Emirati Women's Achievements are an Integral Part of the UAE's National Success Story

His Excellency Younis Haji AlKhoori, Undersecretary of the Ministry of Finance, stressed that the achievements of Emirati women are an integral part of the UAE's success story, adding that their growing presence across all sectors, particularly in finance, has become a key driver of the country's comprehensive development.

"This year's theme, 'Hand in Hand, We Celebrate 50 Years,' adopted by Her Highness Sheikha Fatima bint Mubarak 'The Mother of the Nation', Chairwoman of the General Women's Union, President of the Supreme Council for Motherhood and Childhood, and Supreme Chairwoman of the Family Development Foundation (FDF), to mark the 50th anniversary of the General Women's Union, embodies the values of partnership established by our wise leadership, values that have cemented the role of women as essential partners in shaping the nation's future."

Knowledge and Expertise Exchange with a Delegation from the Executive Leadership Programme of the Republic of Indonesia



The UAE Ministry of Finance (MoF) welcomed a high-level delegation from the Executive Leadership Programme of the Republic of Indonesia, as part of a field visit aimed at exchanging knowledge and exploring best practices in areas such as the digital transformation of government services, medium-term financial planning, and zero-based budgeting methodology.

During the visit, members of the delegation, accompanied by H.E. Mariam Mohammed Al Amiri, Assistant Undersecretary for Government Financial Management at the MoF, along with several department directors, attended a series of presentations and interactive discussions highlighting the advanced methodologies adopted by the Ministry across various aspects of public financial management.

Mohamed bin Hadi Al Hussaini: Youth are Essential Partners in Shaping the Present and Building the Future

H.E. Mohamed bin Hadi Al Hussaini, Minister of State for Financial Affairs, affirmed that the UAE, under the leadership of His Highness Sheikh Mohamed bin Zayed Al Nahyan, President of the UAE, may God protect him, regards youth as essential partners in shaping the present and building the future. He noted that their ability to transform national goals into tangible achievements stems from their direct contributions to serving the community and advancing sustainable development through innovative initiatives and projects that address real needs on the ground.

His Excellency added that this year's theme, "From the Local to the Global: Youth Action for Sustainable Development Goals and Beyond", reflects the growing importance of youth in defining societal priorities, devising practical solutions to challenges, enhancing quality of life, and driving progress across various sectors. He explained that the Ministry of Finance places special emphasis on engaging young national talent in developing financial policies that reinforce the stability of the national economy, open new horizons for inclusive growth, and solidify the UAE's position as a global hub for leadership and innovation.



A Strategic Partnership with Institute of Management Accountants



The Ministry of Finance (MoF) has signed a strategic Memorandum of Understanding (MoU) with the Institute of Management Accountants (IMA) to launch the Certified Management Accountant (CMA) and Financial and Managerial Accounting Associate (FMAA) certifications.

The MoU is part of the Ministry's ongoing efforts to equip national cadres with the highest global professional standards in accounting and financial management.

It falls under the Ministry's ambitious initiatives to promote professional excellence in the government financial sector by enabling employees to obtain prestigious international professional certifications that support financial sustainability and leadership in federal performance.

Pioneering Efforts in Supporting the National In-Country Value (ICV) Programme and Winning the Award for Best Enabler of the Industrial Sector

The Ministry of Finance has reaffirmed its commitment to supporting the National In-Country Value (ICV) Programme, one of the UAE's flagship initiatives aimed at enhancing local content through federal procurement policies.

The ICV programme falls under the Ministry's strategy and is designed to optimise the impact of government spending and strengthen strategic partnerships with the national industrial sector.

In recognition of its outstanding contributions, the Ministry of Finance and H.E. Mariam Mohammed Hassan Al Amiri, Assistant Undersecretary of Government Finance Management at the Ministry of Finance, were awarded two prestigious honours by the Ministry of Industry and Advanced Technology during the "Make it in the Emirates" initiative and "National ICV Day," under the "ICV Champion" category, highlighting the Ministry's transformative leadership in reshaping federal procurement practices to accelerate ICV integration.



Launch of the "Communication Skills Camp" to Develop Employees' Creative Communication Capabilities



The Ministry of Finance has launched its summer programme titled "Communication Skills Camp," aimed at developing employees' capabilities in the fields of creative and digital communication. The programme comes as part of the Ministry's initiatives to foster a creative work environment, strengthen the culture of innovation, and equip its cadres with the necessary skills across various fields.

The programme, which spanned the month of August, featured a series of interactive knowledge sessions held twice weekly at the Ministry's offices in Dubai and Abu Dhabi. It focuses on providing employees with the latest trends and best practices in creative communication, covering four key areas: creative storytelling, graphic design, creative photography, and interactive digital content production.

Strengthening Public-Private Partnership Framework to Next Level to Drive Sustainable Economic Growth

The Ministry of Finance is accelerating its efforts to strengthen public-private partnerships, turning them into a key driver for achieving sustainable development.

Over the past two years, the Ministry has established a robust system for such partnerships and developed a legislative framework that enables their effective implementation. These initiaitives have contributed not only to driving economic growth but also to attracting investment, and enhancing service quality.

Aligned with the UAE's comprehensive vision, these measures are set to balance economic and social development while fostering greater private sector engagement. Through this approach, the Ministry seeks to amplify the state's efforts in building a more sustainable and prosperous future.



Tax News

Ministry of Finance Announces OECD Transitional Qualified Status for its Domestic Minium Top-up Tax ("DMTT")



The UAE Ministry of Finance (MoF) announced that the Organisation for Economic Co-operation and Development (OECD) has published the UAE's Domestic Minimum Top-up Tax (DMTT) on its "Central Record of Legislation with Transitional Qualified Status" which can be found on their website:

https://www.oecd.org/en/topics/sub-issues/global-minimum-tax/central-record-of-legislation-with-transitional-qualified-status.html

The Ministry noted that our adherence to international tax standards, coupled with the OECD's recognition, cements the UAE's position as a world leading hub for international business and investment and drives its sustainable development agenda.

Under the qualified status, the UAE's DMTT provides certainty to MNE groups that no foreign tax will be applied to UAE profits and acceptance of the UAE top up tax liability by other countries. Moreover, other jurisdictions will recognise the top-up tax obligations due in the UAE on these entities. Thus, minimising risk of complex and costly multilateral audit challenges and disputes.

The UAE's DMTT has also qualified for the OECD Pillar 2 safe harbour, which reduces the administrative burden for both MNEs and the tax administration as top-up calculations are not required to be performed in other jurisdictions for UAE in scope entities.

The announcement of the qualifying status, therefore, provides clarity and certainty to MNEs doing business in the UAE.