

Administrative Resolution No. (115) of 2025
Prescribing the Rules for
Setting the Performance Bond Value as a Lump Sum¹

The Director General of the Department of Finance,

After perusal of:

Law No. (5) of 1995 Establishing the Department of Finance;

Law No. (12) of 2020 Concerning Contracts and Warehouse Management in the Government of Dubai; and

Decree No. (20) of 2009 Appointing the Director General of the Department of Finance,

Does hereby issue this Resolution.

Rules for Setting the Performance Bond Value as a Lump Sum
Article (1)

Where the Contract value cannot be precisely determined, the value of the Performance Bond will be set as a lump sum, subject to the following rules:

1. The value of the Performance Bond must be commensurate with the nature and purposes of the project or Purchases subject of the Contract, as well as their scope and technical specifications.
2. The value of the Performance Bond must not be onerous to the Supplier, taking into account the Supplier's scope of business and the volume of works assigned thereto.
3. The value of the Performance Bond must be proportionate to the preliminary estimate of the value of the project or Purchases subject of the Contract, even if that value is not precisely determined.

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¹Every effort has been made to produce an accurate and complete English version of this legislation. However, for the purpose of its interpretation and application, reference must be made to the original Arabic text. In case of conflict, the Arabic text will prevail.

4. The value of the Performance Bond must be commensurate with the level of risk to which the Government Entity may be exposed under that type of Contract.

Publication and Commencement
Article (2)

This Resolution will be published in the Official Gazette and will come into force on the day on which it is published.

Abdul Rahman Saleh Al Saleh
Director General
Department of Finance

Issued in Dubai on 21 October 2025
Corresponding to 29 Rabi al-Thani 1447 A.H.