

Law No. (4) of 2018
Establishing the
Financial Audit Authority¹

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

Federal Law No. (3) of 1987 Issuing the Penal Code and its amendments;

Federal Law No. (35) of 1992 Issuing the Criminal Procedures Code and its amendments;

Federal Law No. (2) of 2015 Concerning Commercial Companies and its amendments;

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

Law No. (27) of 2006 Concerning Management of the Government of Dubai Human Resources and its amendments;

Law No. (8) of 2010 Concerning the Financial Audit Department and its amendments;

Law No. (11) of 2014 Establishing the Dubai Electronic Security Centre;

Law No. (1) of 2016 Concerning the Financial Regulations of the Government of Dubai;

Law No. (13) of 2016 Concerning the Judicial Authorities in the Emirate of Dubai;

Decree No. (23) of 2014 Establishing the Supreme Legislation Committee in the Emirate of Dubai; and

Resolution No. (2) of 2011 Authorising the Deputy Ruler to Supervise the Financial Audit Department,

Do hereby issue this Law.

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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.

Title of the Law
Article (1)

This Law will be cited as “Law No. (4) of 2018 Establishing the Financial Audit Authority”.

Definitions
Article (2)

The following words and expressions, wherever mentioned in this Law, will have the meaning indicated opposite each of them unless the context implies otherwise:

Emirate:	The Emirate of Dubai.
Ruler:	His Highness the Ruler of Dubai.
Government:	The Government of Dubai.
Authority:	The Financial Audit Authority.
Chairman:	The chairman of the Authority.
Director General:	The director general of the Authority.
Auditee:	Any entity that is subject to audit by the Authority under this Law.
Audit Systems:	The financial, accounting, administrative, operational, and smart systems used by Auditees.

Establishment of the Authority
Article (3)

Pursuant to this Law, a public authority named the “Financial Audit Authority” is established. The Authority will have legal personality, financial and administrative autonomy, and the legal capacity required to undertake all acts and dispositions that ensure the achievement of its objectives. The Authority will be affiliated to the Ruler.

Head Office of the Authority
Article (4)

The head office of the Authority will be located in the Emirate.

Objectives of the Authority

Article (5)

The Authority will have the following objectives:

1. to audit Public Funds by verifying that they are legitimately and properly used and managed;
2. to ensure that the financial, administrative, accounting, operational, and smart duties and activities of Auditees are conducted efficiently and effectively;
3. to promote, and ensure the implementation of, effective accountability and appropriate management practices of Auditees;
4. to contribute to the creation of a supportive audit and risk management environment that promotes transparency and integrity;
5. to verify that the administrative resolutions and procedures adopted by Auditees are in compliance with the legislation in force in the Emirate; and
6. to promote the principles of transparency and integrity; and to combat all types, forms, and methods of financial and administrative corruption.

Functions of the Authority

Article (6)

- a. For the purpose of achieving its objectives, the Authority will have the duties and powers to:
 1. audit the periodic and annual consolidated Financial Statements of the Government and the consolidated Financial Statements of Auditees, in accordance with the Authority's methodology; establish the rules, principles and standards that govern the preparation and presentation of the financial reports and the draft consolidated Financial Statements of the Government
 2. investigate the financial and administrative violations detected by the Authority or by Auditees; and identify the causes of these violations and take the appropriate action in this respect;
 3. verify the complaints, data, and information received by the Authority about any financial irregularities committed by Auditees;
 4. provide Auditees with financial and accounting expert services as may be assigned by the Ruler or the Chairman, or provide these services at the request of Government Entities or entities which are not subject to audit in the Emirate;

5. verify the Auditees' compliance with the legislation, and with the policies, regulations, bylaws, and resolutions issued in pursuance thereof;
6. verify the accuracy of calculation and collection of the Public Revenue and financial proceeds generated from the services provided, and the activities conducted, by Auditees, by the banks operating in the Emirate, and by the entities that are not subject to audit as may be assigned by the Ruler or the Chairman. These revenues and proceeds include, without limitation, taxes, fees, prices, tariffs, fines, sale proceeds, rental income, franchise revenue, profits, proceeds from encashing guarantees, and other sources;
7. express an opinion and provide observations on the Financial Statements of the Government and Auditees, and issue the required reports and submit them to the Ruler for appropriate action, prior to the date of approval of these statements;
8. provide appropriate audit advice and recommendations to improve the performance of the Government and Auditees to meet international standards;
9. participate in, and represent the Authority on, boards and committees as may be directed by the Ruler or the Chairman;
10. follow up on the recovery of funds and proceeds generated from financial and administrative violations;
11. review the Auditees' work practices and procedures to identify and rectify weaknesses that may result in committing financial and administrative violations;
12. propose the legislation, regulations, and policies required to combat financial and administrative violations;
13. regulate the criteria for appointment and reappointment of auditors; and evaluate the performance of their audit duties at the respective Auditees;
14. provide direct communication channels with the parties dealing with Auditees in order to receive complaints in relation to acts involving financial or administrative violations; investigate such violations; and take the necessary action in this regard;
15. conduct specialised studies and research in the pursuit of achieving administrative and financial integrity;
16. create a database of financial and administrative violations; analyse these violations; and develop appropriate solutions to address, and prevent reoccurrence of, the same;

17. organise conferences, seminars, and training courses on transparency, integrity, and combating financial and administrative violations; and collaborate and cooperate with relevant regional and international organisations to promote and ensure effective accountability and adoption of appropriate management practices; and
 18. exercise any other duties or powers that are assigned to the Authority by the Ruler or the Chairman and that are relevant to auditing Public Funds or required for the achievement of its objectives.
- b. The Authority may, through the Director General, inquire of any Auditee official about any information or data related to any irregularities committed within these Auditees; and that official must fully cooperate with the Authority in this respect.

Organisational Structure of the Authority Article (7)

The Authority will have the following organisational levels:

1. the Chairman;
2. the Director General; and
3. the executive body.

Appointment and Duties of the Chairman Article (8)

- a. A Chairman will be appointed to the Authority pursuant to a decree issued by the Ruler.
- b. The Chairman will undertake general supervision of the work of the Authority, and ensure the achievement of its objectives under this Law. In particular, the Chairman will have the duties and powers to:
 1. approve the general policies, plans, and work programmes of the Authority;
 2. approve the draft annual budget and the Financial Statements of the Authority, and submit the same to the Ruler for final approval;
 3. approve the organisational structure of the Authority;
 4. approve the bylaws, regulations, and resolutions regulating the administrative, financial, and technical work of the Authority, including human resources regulations and financial approval powers;

5. approve charges for the services provided by the Authority;
 6. approve the initiatives, programmes, and projects that are relevant to the Authority's objectives;
 7. appoint executive directors of the Authority upon the recommendation of the Director General; and
 8. exercise any other duties or powers assigned to him by the Ruler.
- c. The Chairman may delegate any of the powers referred to in paragraph (b) of this Article to the Director General, provided that such delegation is specific and in writing.

Appointment and Duties of the Director General

Article (9)

- a. A Director General will be appointed to the Authority pursuant to a decree issued by the Ruler.
- b. The Director General will manage the Authority and will verify that the executive body exercise all its duties and powers under this Law. In particular, the Director General will have the duties and powers to:
 1. develop the general policies, strategic plans, and work programmes of the Authority; submit the same to the Chairman for approval; and follow up their implementation;
 2. prepare the draft annual budget and Financial Statements of the Authority, and submit the same to the Chairman for approval;
 3. prepare the organisational structure of the Authority, and submit the same to the Chairman for approval;
 4. develop the financial rules and regulations of the Authority, including the accounting principles and standards to be adopted by the Authority to maintain its financial records; and submit the same to the Chairman for approval;
 5. represent the Authority before third parties and execute contracts, agreements, and memoranda of understanding with local, regional, and international entities in areas of expertise relevant to the work of the Authority;
 6. propose the bylaws, regulations, and resolutions regulating the administrative, financial, and technical work at the Authority, including

- human resources regulations and financial approval powers; and submit the same to Chairman for approval;
7. appoint deputy executive directors, managers, advisers, experts, and technical and administrative staff;
 8. supervise the executive body of the Authority and ensure the effective performance of the duties and functions assigned to it;
 9. propose the initiatives, programmes, and projects that are relevant to the objectives of the Authority; and submit the same to the Chairman for approval;
 10. prepare periodic reports outlining the achievements and activities of the Authority, and present the same to the Chairman to take the appropriate action in this regard;
 11. approve the provision of audit services and financial and accounting expert services to entities that are not subject to audit upon their request, and issue the resolutions prescribing the fees applicable thereon;
 12. propose charges for the services provided by the Authority; and submit the same to the Chairman for approval; and
 13. exercise any other duties or powers that are required for the achievement of the objectives of the Authority and that are assigned or delegated to him by the Chairman.
- c. The Director General may delegate any of the powers referred to in paragraph (b) of this Article to any Employee of the Authority, provided that such delegation is specific and in writing.

Taking the Oath Article (10)

- a. The Chairman and the Director General must, upon appointment and prior to assuming their employment duties, take the following oath before the Ruler:

"I swear by Allah/God the Almighty to be faithful to the Ruler and the Emirate; to respect the legislation in force; to protect Public Funds; to perform my duties with utmost honesty and integrity; and to protect the confidentiality of work-related information".
- b. Executive directors must, upon appointment and prior to assuming their employment duties, take the oath referred to in paragraph (a) of this Article before the Chairman.

- c. Experts, technical staff, and auditors must take the oath referred to in paragraph (a) of this Article before the Director General.

**Conflict of Interest
Article (11)**

- a. Neither the Director General, nor executive directors, nor other Employees of the Authority may conduct any financial, professional, or commercial activities, or hold any post that conflicts with their work at the Authority, without the approval of the Chairman or the Director General, as the case may be.
- b. A former Employee of the Authority may work for any Auditee that he has audited during his service with the Authority only after the lapse of three (3) years from the end date of his service or with the approval of the Director General.
- c. Neither the Director General, nor executive directors, nor other Employees of the Authority may serve as members on the boards or committees formed by any Auditee without the approval of the Chairman.
- d. Subject to liability, Employees of the Authority are prohibited from disclosing or divulging any information or data relating to their job duties.

Audit Work

Article (12)

The audit of Auditees by the Authority includes the following:

- 1. financial and compliance audit;
- 2. performance audit;
- 3. auditing of Audit Systems; and
- 4. auditing the efficiency and effectiveness of Audit Systems.

**Financial and Compliance Audit
Article (13)**

The Authority will perform financial audit and compliance audit on all operations to verify their legitimacy and appropriateness, and accuracy of calculations; and to detect financial and administrative violations and take the necessary corrective actions, through the following steps:

1. examine the financial transactions undertaken by Auditees in the course of conducting and handling their financial and operational activities and transactions;
2. examine all data, documents, and instruments relating to the Auditees' Financial Statements;
3. verify, in coordination with concerned entities, proper implementation by Auditees of the legislation, policies, regulations, bylaws, and resolutions relevant to their work; of those they issue; or of those regulating their affairs;
4. audit the consolidated Financial Statements of the Government and issue an audit opinion thereon; issue a report on the outcomes of that audit stating the actual consolidated financial position of the Government; and review the final accounts of Auditees, in accordance with the work methodology and framework adopted by the Authority;
5. examine the final and consolidated Financial Statements of Auditees and their auditors' working papers and reports; and issue the relevant reports;
6. verify the accuracy of calculation and collection of the Public Revenue and financial proceeds generated from the services provided, and the activities conducted, by Auditees and by the banks operating in the Emirate. These include, without limitation, taxes, fees, prices, tariffs, fines, sale proceeds, rental income, franchise revenue, profits, proceeds from encashing guarantees, and other sources; and
7. examine and audit the human resources administrative resolutions and procedures adopted by Auditees in relation to appointments, promotions, bonuses, increments, settlements, allowances, and other similar affairs to ensure that these resolutions are valid and compliant with the legislation in force and their regulatory bylaws.

Performance Audit Article (14)

The Authority will conduct a performance audit of the duties and activities of Auditees in order to verify their efficiency and effectiveness. This includes the following:

1. verifying the effectiveness of optimal use of available resources "inputs" in delivering the required "outputs", and assess to what extent organisational effectiveness and proper conduct of work have been achieved;
2. examining deviations that have arisen in the course of performing duties and activities, and identifying the causes of these deviations;

3. verifying the cost-effectiveness and quality of completed work and that it was implemented at the appropriate time and place;
4. verifying the extent of achievement by Auditees of their objectives and of their contribution to the achievement of the general strategic objectives and plans of the Government;
5. verifying the extent of achievement of prescribed performance goals with a view to improving the performance of Auditees; and
6. verifying that Auditees have responsibility accounting principles and rules in place.

Auditing of Audit Systems **Article (15)**

The Authority will, in coordination with the concerned entities in the Emirate, conduct audit of Audit Systems in order to verify the efficiency and effectiveness of these systems in performing all operational activities and financial transactions of Auditees. This will include the following:

1. evaluating all assets, applications, software; operations, data, investments, means of communication and servers; and examining databases and the reports generated from Audit Systems to verify their efficiency and effectiveness in achieving the Auditees' objectives;
2. verifying the availability of Audit Systems that ensure the protection of Auditees;
3. verifying that Audit Systems are appropriate and effective; and evaluating the effectiveness of the procedures adopted by Auditees to protect the assets of these systems;
4. examining the reliability of Audit Systems, the integration of the operations and reports of these systems, and the governance systems of Auditees;
5. verifying that the funds allocated for Audit Systems have been used for the intended purposes and in accordance with the relevant regulatory legislation; and
6. verifying that the funds allocated in the General Budget for Audit Systems have not been exceeded.

Auditing the Efficiency and Effectiveness of Audit Systems Article (16)

The Authority will conduct audit of the efficiency and effectiveness of Audit Systems through:

1. examining Audit Systems and the procedures thereof in order to verify their appropriateness, identify weaknesses, and to provide recommendations to rectify any such weaknesses; and
2. evaluating, as per international best practices, the application of governance and enterprise risk management principles, performance management practices, internal control systems, the practices of internal audit units, and other practices adopted by Auditees, to identify the obstacles faced by Auditees and highlight development and improvement opportunities.

Functions of Dubai Electronic Security Centre Article (17)

Nothing in this Law will prejudice the functions of the Dubai Electronic Security Centre under the above-mentioned Law No. (11) of 2014 relating to auditing government Information Security and the Information Systems of Government Entities and of other entities affiliated to the Government. The Authority has the power to audit Information Security and Information Systems of non-governmental entities and other entities to be audited by the Authority pursuant to Article (18) of this Law.

Auditees Article (18)

In accordance with its annual audit plan, the Authority will exercise its duties and powers under this Law in respect of the following entities whether they are located within or outside of the Emirate:

1. Government Departments; public agencies and corporations; Government authorities and councils, including the authorities supervising Special Development Zones and free zones, such as the Dubai International Financial Centre; and any other entities affiliated to the Government;
2. companies owned by the Government or Government Entities or those in which they hold twenty-five percent (25%) or more of the share capital. The Authority may, at its own discretion, audit companies in which the Government or Government Entities hold less than twenty-five percent (25%) of the share capital;

3. companies for which the Government guarantees a minimum profit;
4. entities which receive financial subsidies from the Government;
5. any enterprise or other entity which the Ruler or the Chairman assigns the Authority to audit;
6. other entities or enterprises that are audited by the Authority pursuant to the legislation regulating these entities and enterprises; and
7. any entity identified by the Authority to be involved in financial and administrative violations committed within any of the entities referred to in this Article, in which case, the Authority's audit will be limited to such violations and in accordance with the legislation in force in the Emirate.

Conduct of Audit Work Article (19)

Overall or selective audit of Auditees will be conducted in accordance with the rules approved in the annual audit plan of the Authority.

Auditing Procedures Article (20)

- a. The Authority may audit any accounts, documents, records, or papers as it deems necessary to conduct audit work effectively. Audit may be conducted at the premises of the Authority, the premises of the Auditee, or the premises of the entity where the accounts, records, and documents subject to audit are maintained.
- b. The Authority may require Auditees to link their Audit Systems with the Authority's systems to enable remote audit and analysis of data relating to financial transactions and operational transactions.
- c. All information, data, and documents which will be perused by the Authority for audit purposes will be treated as confidential, whether disclosed at the premises of the Authority, the premises of an Auditee, or the premises of the entity where the accounts, records, and documents subject to audit are maintained.

Audit of Documents and Records Article (21)

- a. The Director General and the Authority Employees assigned to conduct audit may access any books, documents, records, or papers as required for

conducting the audit, and directly contact any of the Auditee Employees to enquire into any matter related to an audit or investigation conducted by the Authority. For this purpose, they may interview any Employee involved in any financial or administrative violation committed at an Auditee.

- b. Auditees must facilitate the work of Authority Employees by providing the required documents and records, or any other data they deem required for conducting the Audit; by enabling them to inspect Audit Systems; and by providing them with a suitable place to perform their work.

Internal Audit Units Article (22)

The Authority will have the right to review the plans and workflow of the internal audit units of Auditees and of external auditors; to review and give opinion on the reports issued by them; and to verify implementation by Auditees of the recommendations contained in these reports.

Reports on Audit Findings Article (23)

The Authority will collate audit findings in reports that contain its observations and recommendations, and will communicate these to Auditees in writing. An Auditee must implement the Authority's recommendations and submit its reply to the observations and recommendations within thirty (30) days from the date of notification. The said period is extendable upon a decision from the Director General. In the event that an Auditee fails to respond within the said period without reasonable justification, the audit findings and the Authority's observations included in its reports shall be deemed accurate and final.

Assistance of Experts and Technical Staff Article (24)

For the purpose of monitoring and auditing the activities and work of Auditees, the Authority may seek the assistance of any expert or technical staff it deems appropriate to assist it in performing its audit duties under this Law. The Director General will issue a resolution to determine the professional fees for such experts and technical staff.

Disputes with Auditees Article (25)

In the event that a dispute arises, while the Authority is exercising its duties and powers under this law, between the Authority and an Auditee, any such dispute will be referred to the Chairman to advise on the relevant appropriate action.

Auditee Obligations Article (26)

An Auditee must:

1. provide the Authority with whatever is necessary to enable it to perform its duties, including any documents, records, papers, and information as the Authority may deem required for audit work in accordance with the provisions of this Law and the legislation in force;
2. enable Authority's Employees to examine and assess Audit Systems in accordance with the provisions of this Law and the legislation in force;
3. provide the Authority with all data and information contained in its financial records, its draft Financial Statements, and the supporting documents thereof;
4. notify the Authority with and provide a copy of the resolutions issued for the delegation of authorities by the officials of Auditees to any of their Employees in accordance with the provisions of the above-mentioned Law No. (1) of 2016;
5. report to the Authority any financial and administrative violations committed within the Auditee;
6. establish organisational units for internal control; and
7. perform any other obligations as may be determined by the Chairman by virtue of resolutions issued in this respect.

Financial Statements Article (27)

The Department of Finance must provide the Authority with the draft consolidated Financial Statements of the Government and the supporting documents, in order for the Authority to review the same and issue an audit opinion and provide any observations thereon. Prior to the date of approval of these statements, the Authority must submit the relevant reports to the Department of Finance to incorporate its reconciliations and amendments thereon.

Auditors Article (28)

All Auditees must, where the nature of their business and internal systems necessitate the appointment of an external auditor, comply with the principles and criteria regulating the appointment of auditors, scope of their work, the reports they issue, and the assessment of their performance in order to ensure their compliance

with the terms of their engagement contracts, the International Standards on Auditing, and the legislation in force.

Liability of Auditee Employees Article (29)

Officials and Employees of Auditees will be liable for their legal actions and physical acts with respect to conducting audit work, in accordance with the rules prescribed in this Law and legislation in force.

Obstruction of Authority Work Article (30)

Where the work of the Authority is obstructed by any person, the Director General or his assignee may take all the appropriate measures to safeguard the boxes, filing cabinets, or other places where the documents, records, papers, and books to be audited are maintained. The Director General or his assignee may, where necessary, seek the assistance of competent entities in the Emirate, including police personnel.

Financial and Administrative Violations Article (31)

The following cases and incidents, without limitation, will be considered as financial and administrative violations and must be referred by an Auditee to the Authority for investigation:

1. failure to comply with the financial rules, regulations, and bylaws applicable to the Auditee;
2. failure to comply with the rules and provisions governing the implementation of the items of the General Budget or the Auditee's budget;
3. failure to comply with the rules and provisions governing the contracts and agreements concluded by the Auditee;
4. issuance of administrative resolutions that contradict with the legislation in force which may have a financial impact;
5. failure to comply with the rules and regulations governing warehouses and with the accounting policies issued by the Auditee;
6. failure to timely provide the Authority with the financial data, draft Financial Statements, and their supporting documents by the prescribed deadlines; or

- failure to provide the Authority with the documents required to conduct audit work;
7. any disposition, act, omission, negligence, or dereliction of duty that results in damage to the Auditee or causes the loss of, or compromises, the financial rights thereof;
 8. misappropriation of the Public Funds or Auditee's funds, facilitating the misappropriation or embezzlement of such funds, or causing loss of the interests thereof;
 9. wasting Auditee funds, or acting fraudulently with the intention of embezzling such funds;
 10. abuse of a public office for deriving personal gains for himself or others; or for obstructing, hindering, or delaying the collection of the Public Revenue generated from the funds, taxes, and fees prescribed for the Government or Auditees;
 11. falsification of official documents or use of false instruments;
 12. receiving or soliciting a bribe; and
 13. violations related to tax or customs evasion.

**Acts Subject to Investigation and Questioning
Article (32)**

Any person will be considered as a violator under the provisions of this Law, and will be subject to questioning and to disciplinary and criminal action, if he engages in any of the following acts:

1. obstructing audit work; or refusing to cooperate with the Authority Employees or to enable them to perform their duties as stipulated in this Law;
2. refusing to provide any information relevant to any investigation conducted by the Authority;
3. refraining from responding to any observation or correspondence of the Authority or delaying in providing such response for a period exceeding thirty (30) days without reasonable justification;
4. refusing to comply with any requirements or measures prescribed by the Authority; or
5. concealing any incident or case whose referral to the Authority for investigation is required by law.

Disciplinary Liability
Article (33)

- a. Without prejudice to any applicable criminal liability, an Auditee's Employee, who commits any of the acts or violations stipulated in this Law during his service, will be punished in accordance with the applicable Auditee's human resources legislation.
- b. Without prejudice to criminal liability, if applicable, Employees will bear the civil liability for any damage incurred as a result of any of his acts or violations hereunder.

Investigating Violations
Article (34)

During any violation investigation conducted under the provisions of this law, the Director General, or his authorised representative, may take any of the following actions and measures:

1. request the Auditee to suspend the service of the violating Employee until the investigation is concluded;
2. retain the documents, papers, and records used in committing the violation;
3. close the investigation if the violation is found to be false or if it is proven that the Employee has not committed any of the violations stated in this Law;
4. refer investigation documents to the Public Prosecution if the investigation reveals that a criminal offence punishable by the law has been committed;
5. request the withdrawal of all decisions issued in relation to the violation and to reverse all legal or financial consequences that ensued from these decisions from the date on which such decisions are rendered; and/or
6. request the imposition of disciplinary action against the violating Employee, in which case the official in charge of the Auditee must issue an administrative resolution imposing the appropriate disciplinary action against that Employee and notify the Authority of the same within fifteen (15) days from the date of imposing the disciplinary action.

Imposing Disciplinary Action on Violating Employees
Article (35)

- a. If the Director General considers the disciplinary action imposed on a violating Employee commensurate with the gravity of the committed violation, the

Auditee will be notified of the approval of the decision issued in respect of the violation.

- b. If the Director General considers the disciplinary action taken against a violating Employee incommensurate with the gravity of the committed violation, the Director General may request the official in charge of the Auditee to impose a severer disciplinary action that is commensurate with the gravity of the committed violation within seven (7) days from the date of being required to do so. If the official in charge of the Auditee fails to respond to that request, the matter will be referred to the Chairman to take the appropriate action in this regard.
- c. In any event, an Employee may submit a written grievance to the Grievance Committee referred to in Article (36) of this Law against any decision taken against him within fifteen (15) days from the date of being notified of the contested decision.

Grievances Committee Article (36)

- a. Pursuant to a resolution of the Chairman, a committee named the “Grievances Committee” will be formed, and will comprise three (3) to five (5) members. The committee will be chaired by a representative from the Authority with the membership of a representative from the Supreme Legislation Committee in the Emirate of Dubai and a representative nominated by the official in charge of the Auditee for which the aggrieved Employee works. The committee will consider the grievances submitted by the Employees against whom a disciplinary action is taken pursuant to the human resources legislation applicable within the Auditee.
- b. The Chairman will issue a resolution determining the terms of reference, powers, and the procedures for dealing with the committee. The decision issued by the Grievances Committee on a grievance will be final and non-appealable by any method of administrative review without prejudice to the aggrieved Employee’s right to have recourse to court.

Liability for Violations Article (37)

- a. An Employee will remain liable for any violations committed by him even if his service ends for any reason whatsoever. He may be subject to investigation, legal action, and any of the following penalties:
 - 1. depriving the Employee of no more than twenty-five percent (25%) of the Pension for a period not exceeding three (3) months; or

2. cutting the Pension or the End-of-service Gratuity by no more than twenty-five percent (25%) from the date on which the disciplinary action is imposed against him.
- b. The Employee's absence from work will not prevent him from being held disciplinarily liable for the violations he has committed, and his resignation may not be accepted if he is under investigation unless a final decision is issued in this regard.
 - c. A disciplinary violation will expire upon the death of the violating Employee or upon the lapse of five (5) years from the date of discovery thereof. This limitation period will be interrupted once an investigation of the violation is initiated or upon referral of the violating Employee to the entity responsible for imposing the disciplinary action against the Employee or to any judicial authority having jurisdiction over any felony resulting from, or relating directly or indirectly to, that violation. A new limitation period will commence from the date of the last action taken in respect of the violation. Where multiple Employees are under investigation for the same violation, any interruption of that period for any Employee will be deemed an interruption of the limitation period for the other Employees even if no other interrupting action is taken against them.
 - d. A penal action against a violating Employee will lapse in accordance with the general rules of limitation applicable to penal cases pursuant to the legislation in force.

Law Enforcement Officers Article (38)

The Employees of the Authority nominated by a resolution of the Director General will have the capacity of law enforcement officers to record the acts committed in breach of the provisions of this Law and the resolutions issued in pursuance hereof. For this purpose, they may issue violation reports and seek the assistance of competent entities in the Emirate including police personnel.

Authority Reports Article (39)

The Authority will issue the following reports:

1. a general annual report to be submitted by the Chairman to the Ruler on all activities and audit work performed by the Authority, observations and recommendations arising from the audit work conducted by the Authority, committed violations and the relevant action taken, including the penalties imposed against violators, and the requests and proposed corrective measures;

2. reports on audit findings, which contain the observations and recommendations of the Authority. These reports must be communicated in writing to Auditees;
3. a report on the results of auditing the draft consolidated Financial Statements of the Government. This report must contain the Authority's audit opinion on the financial position of the Government and will be sent to the Department of Finance to implement any required changes and amendments based on the Authority's feedback;
4. reports on the findings of the audit of the financial data and consolidated Financial Statements of Auditees;
5. reports on the findings of the general assessment of governance, enterprise risk management, performance management, internal control system, and the internal audit units of Auditees, and on the recommended development and improvement opportunities;
6. reports on the violations committed by Auditees;
7. special reports on any matter of critical importance that requires review by the competent authorities in the Emirate given its gravity and importance; and
8. any other reports that the Authority deems necessary and that are required to enable it to perform its duties under this Law.

International Cooperation and Coordination

Article (40)

- a. The Authority may coordinate with international, regional, federal, and local entities in areas related to the work of the Authority.
- b. In accordance with legislation in force, the Authority may conclude agreements with external entities or join any regional or international organisations in areas related to the work of the Authority.

Financial Resources of the Authority

Article (41)

- a. The financial resources of the Authority will consist of:
 1. the annual budget approved by the Ruler for the Authority;
 2. the charges for the services provided by the Authority;

3. the charges for financial and accounting expert services assigned to or requested from the Authority; and
 4. any other resources approved by the Chairman.
- b. The Director General will have all the powers required to manage, use, and implement the approved budget of the Authority. This includes the distribution of its appropriations, allocation of its revenues, supervising its implementation, and reallocation of budgetary chapters and items, in accordance with the relevant financial regulations adopted by the authority.

Regulating the Authority Accounts and Records **Article (42)**

- a. In regulating its accounts and records, the Authority will apply government accounting rules and principles.
- b. The Financial Year of the Authority will commence on 1 January and will end on 31 December of each year.
- c. The Authority will have an independent budget to be submitted by the Chairman to the Ruler for approval no later than 15 December of each year. The Chairman may request additional or new appropriations, provided that these are submitted to the Ruler for approval.
- d. The accounts, records, documents, and accounting cycle will be regulated pursuant to the relevant resolutions issued by the Director General.

Transitional Provisions **Article (43)**

As of the effective date of this Law, all the rights and obligations of the Financial Audit Department are hereby transferred to the Authority. The Employees of the Financial Audit Department will also be transferred to the Authority as of the effective date of this Law without prejudice to their existing rights.

Applicability of the Human Resources Management Law **Article (44)**

Law No. (27) of 2006 Concerning Management of the Government of Dubai Human Resources and its amendments will apply to the Authority Employees until the Chairman approves the human resource regulations of the Authority.

**Issuing Implementing Resolutions
Article (45)**

Except for the resolutions that the Ruler or the Chairman has the exclusive authority to issue under this Law or any other legislation, the Director General will issue the resolutions required for the implementation of the provisions of this Law.

**Supersession and Repeals
Article (46)**

- a. This Law supersedes the above-mentioned Law No. (8) of 2010.
- b. Any provision in any other legislation will be repealed to the extent that it contradicts the provisions of this Law.
- c. The bylaws, resolutions, and instructions issued in pursuance of the above-mentioned Law No. (8) of 2010 will continue in force to the extent that they do not contradict this Law, until superseding bylaws, resolutions, and instructions are issued.

**Publication and Commencement
Article (47)**

This Law comes into force on the day on which it is issued, and will be published in the Official Gazette.

**Mohammed bin Rashid Al Maktoum
Ruler of Dubai**

Issued in Dubai on 11 April 2018
Corresponding to 25 Rajab 1439 A.H.