#### Law No. (7) of 2022

# Concerning the Pensions and Social Security Fund of Local Paramilitary Personnel in the Emirate of Dubai<sup>1</sup>

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

After perusal of:

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

Law No. (3) of 2003 Establishing the Executive Council of the Emirate of Dubai;

Law No. (21) of 2008 Concerning Pensions and Social Security of Local Paramilitary Personnel of the Government of Dubai and its amendments;

Law No. (6) of 2012 Concerning Management of the Human Resources of Local Paramilitary Personnel in the Emirate of Dubai and its amendments;

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

Law No. (8) of 2018 Concerning Management of the Government of Dubai Human Resources;

Decree No. (24) of 2007 Forming the Supreme Fiscal Committee in the Emirate of Dubai and its amendments;

Resolution No. (3) of 2008 Determining the Departments Governed by Law No. (2) of 2008 Concerning Human Resources Management of Local Paramilitary Personnel of the Government of Dubai;

Executive Council Resolution No. (25) of 2006 Establishing the Division of Pensions and Social Security of Local Paramilitary Personnel of the Government of Dubai; and

Executive Council Resolution No. (19) of 2017 Approving the Organisational Structure of the Department of Finance,

#### Do hereby issue this Law.

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<sup>&</sup>lt;sup>1</sup>Every 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. (7) of 2022 Concerning the Pensions and Social Security Fund of Local Paramilitary Personnel in the Emirate of Dubai."

### 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.

Executive The Executive Council of the Emirate of Dubai.

Council:

SFC: The Supreme Fiscal Committee in the Emirate of Dubai.

DOF: The Department of Finance in the Emirate.

Department: Any public department or directorate governed by the above-mentioned

Resolution No. (3) of 2008 and any other entity to which the application

of the Law is extended pursuant to a resolution of the Ruler.

Director The director general of the DOF.

General:

Law: Law No. (21) of 2008 Concerning Pensions and Social Security of Local

Paramilitary Personnel in the Government of Dubai and its amendments,

or any other superseding legislation.

Fund: The Pensions and Social Security Fund of Local Paramilitary Personnel in

the Emirate of Dubai, regulated by the provisions of this Law.

Executive The executive director of the Fund.

Director:

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Staff Member: A male or female UAE National Paramilitary who is serving in a

Department and holding a paramilitary or semi-military rank, and whose monthly contributions are deducted in accordance with the provisions of

the Law.

Pension: An amount payable on a monthly basis to a Pensioner or his Beneficiaries

pursuant to the Law.

Pensioner: A Staff Member whose service has ended, and who is entitled to a

Pension pursuant to the Law.

Beneficiary: Any person who becomes entitled to a Pension Share pursuant to the

Law upon the death of a Pensioner.

#### Applicability of the Law to the Fund Article (3)

The provisions of this Law apply to the Pensions and Social Security Fund of Local Paramilitary Personnel in the Emirate of Dubai established pursuant to the above-mentioned Law No. (21) of 2008 as a public corporation affiliated to the DOF and having legal personality and the legal capacity required to undertake all acts and dispositions that ensure the achievement of its objectives.

#### Head Office of the Fund Article (4)

The head office of the Fund will be located in the Emirate. The Fund may, pursuant to a resolution of the Director General, establish branches and offices within and outside of the Emirate.

# Objectives of the Fund Article (5)

The Fund will have the following objectives:

- to further and support the Emirate's vision for the social security sector, particularly in the area of Pensions and Social Security of Staff Members, in line with the policies and strategic plans adopted in this respect;
- 2. to apply best practices in the area of Pensions and Social Security of Staff Members;

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- 3. to regulate the relations of Staff Members, Pensioners, and Beneficiaries with the Fund with a view to ensuring that they enjoy all their rights and that all their social security needs are easily and conveniently met;
- 4. to enhance the quality of the social security services it provides, and support the development efforts and endeavours aimed at achieving leadership and excellence in the efficiency of procedures, with a view to achieving the objectives of the Government in promoting happiness within the society; and
- 5. to secure and provide the financial resources and cash flow required to ensure the financial sustainability of the resources of the Fund, and its continued ability to cover the payment of the social security entitlements of Staff Members, Pensioners, and Beneficiaries.

#### Functions of the Fund Article (6)

For the purpose of achieving its objectives, the Fund will have the duties and powers to:

- develop the general policy of the Fund; establish the strategic and development objectives required for the achievement of the objectives of the Fund and for enabling it to perform its duties under this Law and other legislation in force in the Emirate; and submit the same to the Director General for approval in preparation for their final approval by the SFC;
- 2. implement the legislation governing the Pension and Social Security of Staff Members, ensure that the provisions of that legislation are complied with, and propose amendment and update to the same on a regular basis;
- 3. maintain books and records and compile data on Staff Members, Pensioners, and Beneficiaries; and update the same on a regular basis;
- 4. manage, invest, and diversify the property and assets of the Fund, and maintain their market value, including by subscription to the shares of the companies owned by the Government or in which the Government is a shareholder, in order to develop these property and assets and use them to achieve the objectives of the Fund, in line with the relevant policies and bylaws approved by the SFC;
- 5. open and manage accounts with banks within and outside of the Emirate, in coordination with the DOF and in accordance with the legislation in force in the Emirate;

- 6. establish, solely or in partnership with other persons, companies and establishments or contribute to the establishment of investment projects, in accordance with the legislation in force in the Emirate;
- 7. review the annual retirement plans prepared by each Department, in coordination with that Department, for the purpose of planning the obligations of the Fund; and submit the same to the Director General for approval; and
- 8. exercise any other duties or powers assigned to it by the SFC or the Director General, as required for the achievement of the objectives of the Fund.

#### Supervising the Fund Article (7)

- a. The Director General will undertake the general supervision of the administrative, technical, and financial affairs of the Fund and the performance by the Fund of its functions under this Law, the resolutions issued in pursuance hereof, and other legislation in force in the Emirate; and will issue any resolutions and procedures he deems appropriate for the achievement of the objectives of the Fund. In particular, the Director General will have the duties and powers to:
  - approve, and follow up the implementation of, the general policy and the strategic and development plans of the Fund; and all the plans, projects, and initiatives related to the investment of the property of the Fund, in line with the strategic plans of the Emirate;
  - 2. approve the Organisational Structure of the Fund, and submit the same to the competent entities for final approval;
  - 3. approve the internal bylaws regulating the use of the Fund's property, assets, and returns on investment;
  - 4. approve the draft annual budget and Financial Statements of the Fund, and submit the same to the competent entities in the Emirate for final approval;
  - 5. approve the annual report on the work, activities, financial performance, and returns on the investment of the property of the Fund; and submit the same to the SFC;
  - appoint auditors and determine their annual remuneration;
  - 7. form permanent and temporary sub-committees and work teams; and determine their duties, powers, and tenures; and

- 8. exercise any other duties or powers required for the achievement of the objectives of the Fund, and for enabling it to perform the duties and functions assigned to it under this Law, the resolutions issued in pursuance hereof, and other legislation in force in the Emirate; or assigned to it by the SFC.
- b. The Director General may delegate any of his duties and powers under paragraph (a) of this Article to the Executive Director, provided that such delegation is specific and in writing.

#### Executive Body of the Fund Article (8)

- a. The Fund will have an executive body comprised of the Executive Director and a number of administrative, finance, and technical Employees.
- b. The executive body of the Fund will be responsible for the operational work of the Fund, and for providing it with administrative and technical support.
- c. The Fund may seek the administrative and technical support of the executive body of the DOF.
- d. The Employees of the Division of Pensions and Social Security of Local Paramilitary Personnel at the DOF are hereby transferred to the Fund. These Employees will retain their existing rights and will be governed by the provisions of the above-mentioned Law No. (8) of 2018 and the resolutions issued in pursuance thereof.

### Executive Director of the Fund Article (9)

- a. The Executive Director will be appointed pursuant to a resolution of the Chairman of the Executive Council.
- b. The Executive Director will be directly responsible to the Director General for performing his duties under this Law, the resolutions issued in pursuance hereof, and other legislation in force in the Emirate. In particular, the Executive Director will have the duties and powers to:
  - prepare the general policy and the strategic and development plans of the Fund; submit the same to the Director General for approval; and follow up their implementation upon approval of the same by the SFC;

- 2. propose the projects, programmes, and initiatives aimed at supporting and increasing the financial resources of the Fund; and submit the same to the Director General for approval;
- 3. approve the operational plans required for the implementation of the approved general policy and strategic plans of the Fund;
- 4. propose internal bylaws to regulate the use of the Fund's property, assets, and returns on investment; and submit the same to the Director General for approval;
- 5. supervise the conduct of actuarial studies every three (3) Years to determine the financial position, obligations, and future projections of the Fund; and submit the necessary recommendations to the Director General, in preparation for submission of the relevant report to the Chairman of the Executive Council;
- 6. approve the bylaws and regulations governing the administrative, financial, and technical work of the Fund;
- 7. prepare the Organisational Structure of the Fund, and submit the same to the Director General for approval;
- 8. prepare the draft annual budget and Financial Statements of the Fund, and submit the same to the Director General for approval;
- 9. submit to the Director General periodic reports on the financial performance and work flow of the Fund;
- 10. prepare an annual report on the work, activities, and financial performance of the Fund; and submit the same to the Director General for approval;
- 11. supervise the daily work of the Fund and its executive body;
- 12. represent the Fund before third parties and conclude the contracts and agreements required for the achievement of the objectives of the Fund and for enabling it to exercise its functions, in accordance with the relevant delegation of authority matrix adopted by the Director General; and
- 13. exercise any other duties or powers related to the achievement of the objectives of the Fund, as assigned or delegated to him by the Director General.

### Financial Resources of the Fund Article (10)

- a. The financial resources of the Fund will consist of:
  - 1. the movable and immovable property allocated to the Fund by the Government;
  - 2. the financial appropriations allocated to the Fund in the General Budget of the Government;
  - 3. the financial appropriations allocated to the Fund by the Government to cover any increments approved by the Government for Staff Members and Pensioners, additional financial implications that result from any amendments to the legislation in force, additional costs incurred by the Fund due to any approved exemptions in favour of Staff Members, or other financial liabilities that affect the Fund's ability to pay social security entitlements and dues;
  - 4. the Monthly Contributions deducted from Staff Members in accordance with the Law;
  - 5. the amounts collected from Staff Members for crediting their previous service periods;
  - 6. the monthly financial support allocated by the Government to the Fund, which is equal to double the Monthly Contributions stipulated by the Law;
  - 7. returns on the investment of the Fund's property;
  - 8. any amounts payable to the Fund pursuant to the Law and the resolutions issued in pursuance thereof;
  - 9. the donations, gifts, grants, and presents provided to the Fund and approved by the Director General; and
  - 10. any other resources approved by the SFC.
- b. All proceeds from the financial resources of the Fund will be deposited in its account, and all amounts payable pursuant to the Law will be paid out of that account.

### Accounts and Financial Year of the Fund Article (11)

- a. In managing its accounts and records, the Fund will apply the government accounting rules and principles.
- b. The Financial Year of the Fund will commence on 1 January and will end on 31 December of each Year, except that the first Financial Year will commence on the date on which this Law comes into force and will end on 31 December of the following Year.

#### Exemption from Liability Article (12)

Except in cases of fraud and gross fault, neither the Director General, nor the Executive Director, nor the executive body of the Fund will, in the course of managing the Fund and its operations, be liable to third parties for any act or omission committed by them in connection with exercising their duties and powers under this Law and the resolutions issued in pursuance hereof. The Fund will be solely liable to third parties for any such act or omission.

### Cooperation with the Fund Article (13)

All Government Entities in the Emirate must fully cooperate with the Fund and provide it with the data, statistics, information, studies, and information systems it requests and deems necessary to enable it to achieve its objectives and exercise its duties and powers under this Law, the resolutions issued in pursuance hereof, and other legislation in force in the Emirate.

#### Issuing Implementing Resolutions Article (14)

With the exception of the resolutions which the Chairman of the SFC is authorised to issue under this Law, the Director General will issue the resolutions required for implementing the provisions of this Law.

### Transfer of Rights and Obligations Article (15)

As of the effective date of this Law, all rights, obligations, responsibilities, and powers of the Division of Pensions and Social Security of Local Paramilitary Personnel at the DOF will be transferred to the Fund, in accordance with the legislation in force in the Emirate. The financial appropriations assigned to this division in the annual budget of the DOF will also be reallocated to the Fund.

### Repeals Article (16)

The above-mentioned Executive Council Resolution No. (25) of 2006 is hereby repealed. Any provision in any other legislation is also hereby repealed to the extent that it contradicts the provisions of this Law.

#### Publication and Commencement Article (17)

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

Mohammed bin Rashid Al Maktoum Ruler of Dubai

> Issued in Dubai on 14 March 2022 Corresponding to 11 Shaban 1443 A.H.