Law No. (19) of 2023

Amending Law No. (1) of 2016

Concerning the Financial Regulations of the Government of Dubai[1]

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

After perusal of:

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

Law No. (14) of 2009 Concerning the Pricing of Government Services in the Emirate of Dubai and its amendments;

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

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

Law No. (8) of 2022 Regulating the Public Debt of the Government of Dubai; and

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

Do hereby issue this Law.

Superseded Articles
Article (1)

Articles (4), (5), (38), (45), (47), (50), (52), and (63) of the Original Law are hereby superseded by the following:

Functions of the SFC
Article (4)

In addition to the functions assigned to it under this Law and other legislation in force in the Emirate, the SFC will have the duties and powers to:

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[1] *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.*

1. approve the general fiscal policy of the Government;

2. approve the General Budget and Supplementary Budgets, and submit the same to the Ruler for final approval;

3. upon the recommendations of the DOF, approve methods of funding the General Budget deficit; and

4. perform any other duties required for the achievement of the objectives of this Law, as assigned to it by the Ruler.

Functions of the DOF
Article (5)

For the purposes of this Law, the DOF will have the duties and powers to:

1. prepare the general fiscal policy of the Government based on the approved strategic objectives of the Emirate;

2. in cooperation and coordination with Government Entities and the entities receiving financial support from the Government, prepare the General Budget, Supplementary Budgets, and medium term fiscal plan in compliance with the policies and standards approved by the SFC;

3. follow up the implementation of the approved General Budget and Supplementary Budgets; develop the plans required to secure financial liquidity; and transfer approved financial allocations to concerned entities;

4. develop the rules governing the collection of Public Revenue, the disbursement of Public Expenditure, and the bank accounts of Government Entities;

5. manage all Government reserves set aside by deduction from Public Revenue as per the rates prescribed by the SFC;

6. propose methods for funding the General Budget deficit and submit the same to the SFC for approval;

7. develop policies and procedures for the management of the tangible and intangible assets of Government Entities, such as intellectual property rights, machinery, vehicles, equipment, supplies, tools, and similar assets;

8. prepare the Consolidated Financial Statements at the end of each Financial Year, and submit the same to the SFC for approval;

9. establish the accounting standards and prepare the chart of accounts adopted for the financial regulations of the Government;

10. prepare studies and reports on the general financial affairs of the Government;

11. raise awareness of the objectives of the fiscal policy and of the General Budget implementation indicators, and disseminate the same in any manner it deems appropriate;

12. in accordance with the procedure adopted by the DOF in coordination with concerned Government Entities, review draft local and federal financial and tax legislation, and any other legislation or Contract that may result in the Public Treasury incurring financial burdens, and provide comments on the same;

13. supervise the implementation of this Law and the resolutions, circulars, instructions, and manuals issued in pursuance hereof; and submit non-compliance reports to the Chairman of the Executive Council or his authorised representative; and

14. manage Public Debt and meet the financial needs of the Government in accordance with the relevant legislation in force;

15. exercise any other duties or powers related to the management of Public Funds, as assigned to it by the Ruler, the Chairman of the Executive Council, or the SFC.

Financial Reallocations
Article (38)

a. Financial appropriations may be reallocated from a Government Entity to another pursuant to a resolution of the Director General or his authorised representative.

b. Financial appropriations may be reallocated from one chapter to another within the approved annual budget of a Government Entity pursuant to a resolution of the Director General or his authorised representative.

c. Financial appropriations may be reallocated from one item to another within the same chapter of the approved annual budget of a Government Entity pursuant to a resolution issued by the Head of this Government Entity, in accordance with the relevant instructions and circulars issued by the DOF.

Procedures for Preparation and Approval of Consolidated Financial Statements
Article (45)

Consolidated Financial Statements will be prepared and approved within the deadlines prescribed by the DOF and in accordance with the following procedures:

1. the DOF will prepare the draft Consolidated Financial Statements based on the final sub-accounts submitted by Government Entities;
2. the DOF will send the draft Consolidated Financial Statements to the Financial Audit Authority for review and providing comments in a report detailing the outcomes of this review; and
3. the DOF will finalise the draft Consolidated Financial Statements after making the required settlements and adjustments based on the report of the Financial Audit Authority, and will present a detailed report on the draft Consolidated Financial Statements to the SFC for approval.

Financially Autonomous Government Entities
Article (47)

a. A Government Entity is deemed to have Financial Autonomy and an Independent Budget if this is mandated by the legislation establishing or regulating it, or by the nature of its work. This entity must:

   1. prepare and approve its Independent Budget annually, in accordance with the procedures it adopts in this respect;
   2. comply with the rules governing the management of borrowing and with any other financial obligations imposed on financially autonomous Government Entities pursuant to the legislation in force in the Emirate;
   3. approve the fees and fines in accordance with this Law and other legislation in force in the Emirate;
   4. provide the DOF with all reports, financial data, and information it requests within the deadlines, as per the procedures, and in the manner prescribed by the DOF;
   5. prepare the Financial Statements of the Financial Year then ended; or prepare, on commercial basis, a balance sheet if its activities so require, and submit these Financial Statements or the balance sheet to the DOF within the deadlines prescribed by the DOF; and
   6. meet any other obligations imposed pursuant to the legislation in force in the Emirate.

b. No Government Entity having Financial Autonomy pursuant to paragraph (a) of this Article may be granted General Budget allocations or appropriations except as loans. This will not apply to the entities to which the SFC decides, upon the recommendation of the DOF, to grant such allocations or appropriations as Government financial support. Such financial support will be granted in accordance with the relevant rules, requirements, and time frames prescribed by the SFC.

Projected Financial Statements
Article (50)

The ICD, or any other Government Entity determined by the SFC, must submit estimates of revenue, expenditure, and cash flow statements of the companies wholly owned by the Government or by that entity, and statements of the financial position of the companies in which the Government or that entity holds shares. These statements and data must be submitted in accordance with the relevant standards, deadlines, procedures, and methods prescribed by the DOF and with the nature of the business of these companies.

Surpluses and Net Profits of Independent Entities and Government Entities
Article (52)

a. Financially independent Government Entities and Government Companies must deposit their annual Revenue surplus and profits into the Public Treasury account, in accordance with the profit distribution policy adopted by the SFC in this respect.

b. Notwithstanding the provisions of paragraph (a) of this Article, the SFC may, upon the recommendation of the DOF, authorise the ICD, any Government Entity, or any Government Company designated by the SFC to reinvest its annual Revenue surplus and profits before transferring them to the Public Treasury Account.

Authority to Open Bank Accounts
Article (63)

The Chairman of the Executive Council and his First Deputy, or their authorised representatives, will have the power to authorise Government Entities, based on the recommendation of the DOF, to open, close, and change bank accounts with the banks and financial institutions operating within or outside of the Emirate. This authorisation will be issued in accordance with the relevant procedures adopted by the DOF.

Repeals
Article (2)

a. Articles (53), (54), (55), and (56) of Chapter (9) of the Original Law are hereby repealed.

b. Any provision in any other legislation is hereby repealed to the extent that it contradicts the provisions of this Law.

Commencement and Publication
Article (3)

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 13 September 2023

Corresponding to 28 Safar 1445 A.H.