



MoF Index e-Newsletter, 24th Edition, August 2016

MOF Index

e-Dirham System

MoF wins “Idea of the Year” Award for its project Emirates Gate of GFS Reports

The Ministry of Finance (MoF) won the “Idea of the Year” Award for its project Emirates Gate of GFS Reports at the 11th Ideas Arabia International Conference and Exhibition Award ceremony 2016 – which is part of Dubai Quality Group. This year’s conference was centred on the theme “Aspiring for Innovation and Happiness”.

MoF team received the “Idea of the Year” Award from the ceremony sponsor; in the presence of a number of MoF directors, conference participants, representatives from local and international institutions as well as local and international experts for the Gulf and Middle East regions.



e-Dirham wins Special Merit Award for Government to Business and Customer Engagement

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Ministry of Finance holds its 2016 Annual Forum

The Ministry of Finance (MoF) held its 2016 Annual Forum in Sofitel Downtown Dubai. The Forum represents a significant platform to recognise strategic partners and talented employees who have contributed to achieving the Ministry's initiatives and key objectives.

The annual forum witnessed the presence of HE Obaid Humaid Al Tayer, Minister of State for Financial Affairs; HE Younis Haji Al Khoori, Undersecretary of MoF; in addition to MoF assistant undersecretaries, directors and employees, and a number of representatives from ministries and MoF's strategic partners.

During the forum, a panel discussion was held on government innovation in the UAE, which witnessed the participation of Major Muhammad Ismail Al Harmoudi, Director of the Innovation Center at the General Secretariat of the Office of HH Deputy Prime Minister and Minister of Interior, Fatima Yousef Al Naqbi, CEO of Government Innovation at MoF and Faisal Ali Al Mansouri, Director of Strategic Planning Performance Department who moderated the panel discussion. During the forum, the Ministry honoured its strategic partners who have made a real change and offered constant support to the Ministry, it also honoured some of its most talented employees for their efforts during 2015 and those of who have succeeded as per the federal government employees' performance management system.

e-Dirham system receives international certification of compliance in data security

The e-Dirham system, launched and managed by the Ministry of Finance (MoF) in partnership with the National Bank of Abu Dhabi, received the Certification of Compliance in Payment Card Industry Data Security Standard (PCI DSS). This certification conferred by Trustwave Holdings, is particularly for the system's 11 components and for the security compliance of its Triple Data Encryption Standard which have been found to be in accordance with the international standards.

The certification covers the e-Dirham system's various services and its infrastructure, including electronic payment gateway, electronic clearing and settlement, hosting and secure storage of data as well as all devices and cards.



Interview with Fatima Yousef Al Naqbi, CEO of Government Innovation at MoF

1. What is the Ministry's strategy in encouraging innovation and creating a supportive environment for innovation?

The Ministry's strategy is based on the National Innovation Strategy which aims to encourage and create a supportive environment for innovation, implement the UAE 2021 Vision, and contribute to national efforts to position the UAE's Government as a global leader in development and innovation.

The Ministry adopts a culture of innovation across various practices as well as establish a methodology that improves government financial work. This is reflected through the launch of Sheikh Mohammed bin Rashid Innovation Fund worth AED 2 billion last November. The Fund is designed to provide financing solutions for innovators across various sectors within the UAE, and support them in transforming ideas and suggestions into innovation projects which will contribute to the country's national innovation strategy and to achieving UAE Vision 2021.

2. How will the Sheikh Mohammed bin Rashid Innovation Fund encourage innovation? What is the Fund's mechanism as well as its importance to the region?

The Sheikh Mohammed bin Rashid Innovation Fund aims to enhance funding opportunities in areas of innovation, by providing reasonable funding to entrepreneurial innovators and guaranteeing access to commercial loans required to finance their projects.

The Ministry of Finance is entrusted with the role of managing and supervising the fund through a comprehensive programme which provides financing solutions to innovators within the UAE, and supports growth and innovation, specifically across the seven sectors outlined in the national innovation strategy.

This fund is considered one of the most important financing tools in the region. It is expected to play a significant role in driving growth and economic development within the UAE, and in strengthening the country's position on both a regional and global level. Capital will be allocated to the fund to create new ways and means of financing innovative projects through commercial banks and financial institutions, in accordance with specific criteria and standards.

3. What are the Fund's criteria for financing innovative projects by companies registered in the country?

The fund will also provide support to individuals and companies registered in the country. Eligible applicants need to have registered their project as intellectual property and the initial stage of the project must already be established. The fund will provide support to all projects, prioritising those related to the seven sectors outlined in the national innovation strategy (renewable energy, transport, education, health, technology, water and space).

Applicants requesting funding must provide a business development plan to be eligible for funding and must meet all the following criteria:

- The idea should be unique and innovative, those who provide exceptional innovative ideas, whether they be techniques, processes, as well as intellectual products or services that have exceeded the development phase.
- The applicant should be a UAE resident or own a company registered in the UAE.

Presenting long-term plans for the projects, supported by a feasibility study, in order to qualify individuals or companies for funding. Communication with the Fund's target audience will be held across the Ministry's official

channels and platforms to determine the process of submitting projects and the criteria to be met in order to be eligible for funding.

4. Did the operational aspect of the Sheikh Mohammed bin Rashid Innovation Fund begin? And what are the financial limitations at this stage?

The pilot phase was launched during the first half of 2016 with the participation of individuals and companies from various sectors, followed by the official launch of the Fund's operations in the second half of 2016.

The pilot phase reviewed a number of the participating companies and individuals' most successful experiences, being the first to benefit from guarantees and facilities by the Fund. This will be followed by the official launch of the Fund's operations in the second half of 2016, whereby entrepreneurial innovators in UAE will be able to participate and submit their applications through the Fund's adopted platform.

The fund's management will evaluate all funding requests for further discussion with a group of experts in respective areas, to determine the effectiveness and practicality of each project, and their compliance with the standards set by the fund in terms of the nature of innovative ideas and the commercial aspects related to transforming these ideas into successful projects.

5. How will the Fund work on raising the UAE's rank on an international level to become one of the top ten innovative countries by 2021?

UAE, represented by the Ministry of Finance, aims to provide an environment that supports innovation starting with the launch of the Sheikh Mohammed bin Rashid Innovation Fund, and by providing reasonable funding to entrepreneurial innovators and guaranteeing access to commercial loans required to finance their projects

The decision to establish the fund was based on specific studies conducted by the Ministry of Finance to identify best global practices in financing innovation projects and achieving the maximum benefits from this initiative. This initiative will play a significant role in supporting innovative leaders across various levels, across various levels, and the sustainable development of the UAE, as per the national innovation strategy and vision of the UAE government.

The aim is to achieve the highest benefit from this ground-breaking initiative, which will play a central role in supporting the entrepreneurship innovation on various levels in addition to supporting the development process in accordance to the national innovation strategy and future ambitious plans for the UAE government.

The innovation strategy works along four parallel tracks. The first track will anchor a stimulating environment for innovation in the form of supportive institutions and laws. It will shape specialised entities such as innovation incubators as well as technological infrastructure to fuel innovation in all sectors. It will also focus on research and development in various innovation fields. The second track will develop government innovation by institutionalising innovative practices with the support of an integrated system of modern tools. The third track will encourage private sector innovation by stimulating companies to establish innovation and scientific research centres, to adopt new technologies and to develop innovative products and services.

6. What does the role of the federal authorities in the state have in enhancing the operations of the Sheikh Mohammed Rashid bin Zayed Al Maktoum Innovation Fund's?

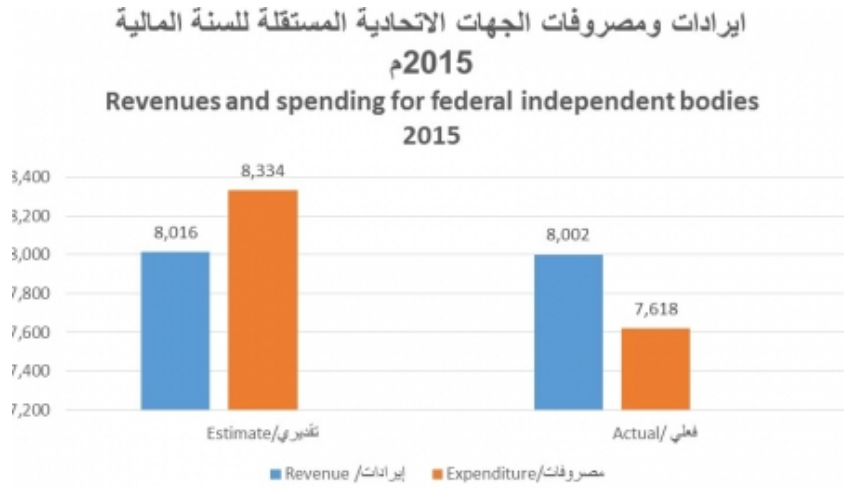
The Fund aims to establish an environment that encourages innovation in cooperation with various UAE government entities and financial institutions such as commercial banks, investment financing institutions, family businesses, and other funders, to provide financing and credit facilities. The fund will provide financing and credit facilities to all projects, prioritising those related to the seven sectors outlined in the national innovation strategy.

The Ministry of Finance is currently considering the possibility of signing a series of agreements and memorandums of understanding with federal government entities with regards to the Sheikh Mohammed bin Rashid Innovation Fund. This is to activate the Fund's role in the transition to a knowledge based economy and achieve sustainable growth and prosperity for the UAE.

UAE participates in OFID's 37th ministerial council meeting

UAE, represented by the Ministry of Finance (MoF), participated in the 37th Session of the Ministerial Council of the OPEC Fund for International Development (OFID) in Vienna, Austria. OFID's ministerial council comprises the finance ministers and other high-level representatives of OFID member countries. The council's meeting aimed to review work process, level of achievement, financial report and the annual grant report. OFID, in its 40th anniversary, presented a monument inspired by the Sumerian civilization as a gift to Vienna.

The UAE delegation was led by HE Younis Haji Al Khoori, Undersecretary of MoF, and included Majid Ali Omran, Governor of the Management of the Fund's council and Hamad Issa Al Zaabi, Deputy Governor.



Financial Report : Federal General Budget Financial Performance report for the fiscal year 2015

Based on the Article (9) of the Federal Law by Decree No.8 of 2011, the Ministry of Finance (MoF) has issued the federal general budget financial performance report for ministries and independent federal entities for the fiscal year 2015. (Final Account for the Year 2015)

Ministries:

The total amount of the ministries' revenues approved for 2015 accounted for AED 49,100 million, and an additional AED 50,178 million was approved as an amount for expenditures. The actual revenues accounted for AED 46,150 million and the actual expenditures for AED 47,183. The net deficit accounted for 1033.

Federal Independent Bodies:

Independent federal entities' income revenue was estimated at AED 8,016 million, where their expenditure was valued at AED 8,002 million for the fiscal year 2015. The actual revenue accounted for AED 8,334 for independent entities, where the total actual expenditure equalled AED 7,618 million.

Spending:

The spending methodology for the general budget is based on rationalising spending and is directed towards vital sectors in order to optimise the use of government resources.

