

CABINET RESOLUTION NO. (25) OF 2023 ON ESTABLISHMENT OF PROCEDURES FOR COLLECTING ADMINISTRATIVE FINES PAYABLE TO MINISTRY OF HUMAN RESOURCES AND EMIRATISATION THROUGH THIRD PARTIES

The Council of Ministers

- Having perused the Constitution
- Federal Law No. (1) of 1972, concerning jurisdictions of the Ministries and powers of the Ministers as amended
- Federal Law No. (14) of 2016 Concerning Violations and Administrative Penalties in the Federal Government
- Federal Decree-Law No. (15) of 2018 on the Collection of Public Funds and Revenues.
- Federal Decree-Law No. (26) of 2016 Concerning Public Finance
- Cabinet Resolution No. (21) of 2020 concerning Service Fees & Fines in the Ministry of Human Resources as amended
- Upon the recommendation of the Minister of Finance and approval of the Council of Ministers

Resolved:

**Article (1)
Definitions**

For the purposes of implementing this Resolution, the following terms and expressions shall have the meanings opposite thereto unless the context requires otherwise:

State	:	United Arab Emirates
Ministry	:	Ministry of Human Resources and Emiratisation
Minister	:	Minister of Human Resources and Emiratisation
Third Party	:	Debt collection companies in the state

**Article (2)
Collection procedures**

Administrative fines payable to the Ministry shall be collected as follows:

Sr.	Time frame	Procedure
1	From the date of imposing the administrative fine on the establishment and for two months thereafter	<p>An administrative fine notice is sent describing the reasons, the amount of the fine, and the grace period for payment.</p> <p>The business is provided with electronic notifications to ensure its commitment to pay the fine prior to the end of the grace period for payment</p>
2	Two months after the payment deadline has expired	<p>The issuance of new work permits for the establishment will be suspended</p> <p>The Ministry will continue to send electronic notifications regarding the delay in the payment of the fine, and will encourage payment through the Ministry's electronic channels in order to avoid the liquidation of the excess bank guarantee.</p>
3	Six months after the payment deadline has expired	<p>Excess bank guarantees will be liquidated (if any) and the fine amount will be settled, in whole or in part</p> <p>Continuing to send electronic notifications regarding late payment of fines, the Ministry will encourage payment through the Ministry's electronic channels to avoid disrupting all services of individual establishments or establishments owned exclusively by the proprietor of the violating establishment, taking into consideration the unity of partners.</p>
4	Eighteen months after the payment deadline has expired	<p>The issuance of new work permits for the individual establishments or establishments owned exclusively by the proprietor of the violating establishment will be suspended</p> <p>A sum equal to the EIBOR interest rate in force in the state shall be added to the value of the unpaid fine within one year.</p>

		Continuing to send electronic notifications regarding late payment of fines, the Ministry will encourage payment through the Ministry's electronic channels.
5	Twenty-four months after the payment deadline has expired	Redirecting the debt file associated with administrative fines to a third party for the purpose of collecting the due fines according to the procedure issued by the Minister in coordination with the Ministry of Finance.

Article (3) *

Exceptions to and suspensions of collection procedures

1. Depending on the circumstances, the Minister may exempt some establishments from certain procedures for the collection of fines outlined in Article No. (2) herein, pursuant to a decision issued in this regard, which specifies the requirements, conditions and controls for exemptions, in coordination with the Minister of Finance.
2. In the event of a lawsuit filed before a court regarding the imposed fine, the Minister or his delegate may suspend the procedures for collecting administrative fines, pending the outcome of the lawsuit.

Article (4)

Third Party Fees

Upon the recommendation of the Minister of Finance and after consultation with the Minister, the Council of Ministers shall issue a decision determining the percentage of the third-party fees that will be deducted from the proceeds of administrative fines payable, as specified in this decision.

Article (5)

General Provisions

1. Administrative fines referred to in this decision shall be collected by the means determined by the Ministry of Finance.
2. Upon collection of administrative fines, the third party shall deposit these amounts in the State Treasury's unified account.

Article (6)

Executive Decisions

The Minister shall issue the regulations necessary for the execution of the provisions of this resolution.

Article (7)

Publication and Implementation of the Resolution

This Resolution shall be published in the Official Gazette and will become effective thirty days after publication.

Mohammed bin Rashid Al Maktoum
Prime Minister of the United Arab Emirates

.....
Issued by us on:
06th of Ramadan 1444 A.H
Corresponding to: 27th of March 2023 A.D

* This article was amended by Cabinet Resolution No. (47) of 2024