

Law No. (8) of 2022
Regulating the
Public Debt of the Government of Dubai¹

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

After perusal of:

Federal Law by Decree No. (9) of 2018 Concerning Public Debt;

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. (7) of 2008 Concerning Public Debt Procedure;

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

Law No. (12) of 2020 Concerning Contracts and Warehouse Management in the Government of Dubai;

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

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

Do hereby issue this Law.

Title of the Law
Article (1)

This Law will be cited as "Law No. (8) of 2022 Regulating the Public Debt of the Government 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.

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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.*

Government:	The Government of Dubai.
Executive Council:	The Executive Council of the Emirate of Dubai.
SFC:	The Supreme Fiscal Committee in the Emirate of Dubai.
DOF:	The Department of Finance.
Director General:	The director general of the DOF.
Government Entity:	Any of the Government departments, public agencies or corporations, Government councils or authorities, or public entities affiliated to the Government.
Government Companies:	This includes commercial corporations and companies wholly owned by the Government or by Government Entities; and any other companies or corporations determined by the SFC upon the recommendation of the DOF, in accordance with the rules adopted by the SFC in this respect.
PDMO:	The Public Debt Management Office established pursuant to this Law at the DOF.
CEO:	The chief executive officer of the PDMO.
Public Debt:	The total financial liabilities of the Government, arising from borrowing money from or through financial institutions.
Public Debt Instruments:	Any instruments that are approved by the SFC, that are issued by the Government or to which the Government is a party, and that involve an obligation on the Government to pay a specific amount. This includes loan agreements and the Government sukuk and bonds tradeable in financial markets.
Government Borrowing:	The obtainment of any amounts by the Government from or through financial institutions in the form of a loan.
Government Guarantees:	The financial guarantees provided by the Government in accordance with the provisions of this Law to ensure the settlement of its financial liabilities.
General Budget:	The Government budget, for a Financial Year, which is approved pursuant to a law and which contains the total estimated Public Revenue and estimated Public Expenditure of the Government and the Government Entities whose budgets are included in that budget.
Financial Derivatives:	Financial instruments in the form of contracts that derive their value from a real or financial asset (the " Underlying Asset ").

These contracts are concluded for the purpose of responding to future risks that may arise from the fluctuations in prices of commodities, stocks, and bonds, and in the rates of currency exchange or interest, such as future contracts, forward contracts, options contracts, and swap contracts.

Scope of Application Article (3)

This Law applies to the following entities:

1. Government Entities;
2. Government Companies; and
3. any entity receiving financial support from the Government or benefiting from Government loans or Government Guarantees.

Objectives of the Law Article (4)

This Law aims to:

1. meet the financial needs of the Government in accordance with the risk management standards and criteria adopted in this respect;
2. maintain a balanced risk profile of the Public Debt portfolio;
3. manage the Public Debt of the Government in accordance with safe and sound best practices;
4. boost the trust of investors and financial institutions in the financial position of the Government, its strategic vision, and its initiatives in various fields, by maintaining high levels of transparency and credibility; and
5. ensure sustainability in the management of financial obligations by the entities governed by this Law.

Functions of the SFC Article (5)

- a. For purposes of this Law, the SFC will have the duties and powers to:
 1. approve the strategic goals and general policies related to Public Debt management;
 2. approve a policy for distribution of the profits earned by Government Entities and Government Companies;
 3. approve loans on behalf of the Government;

4. approve Public Debt Instruments;
 5. approve the contracts relating to Financial Derivatives;
 6. authorise, upon the recommendations of the DOF, the entities governed by this Law to undertake direct borrowing;
 7. approve the issuance of Government Guarantees; and
 8. exercise any other duties or powers that are related to Public Debt management and required for the achievement of the objectives of this Law.
- b. Unless the SFC decides otherwise, the loans that the SFC authorise any entity governed by this Law to obtain will not be guaranteed by the Government.

Establishment and Functions of the PDMO

Article (6)

- a. An office named the "Public Debt Management Office" is hereby established at the DOF as an organisational unit within its structure.
- b. A CEO will be appointed to the PDMO pursuant to a resolution of the Chairman of the Executive Council.
- c. The PDMO will have the duties and powers to:
 1. develop, in coordination with the concerned organisational units of the DOF, the general policies for Public Debt management; and submit the same to the SFC for approval;
 2. develop a policy for distribution of the profits earned by Government Entities and Government Companies and a process for the deposit of these profits into the Government's account; submit the policy and process to the Director General for approval, in preparation for their final approval by the SFC; and follow up the implementation of the same upon their approval;
 3. take the necessary action to meet the financing needs of the Government by means of Government Borrowing through issuing the Public Debt Instruments approved by the SFC;
 4. manage the Public Debt portfolio and ensure that the money raised through Public Debt is used for the purposes for which Government Borrowing is made;
 5. adopt Financial Derivatives to enhance the efficiency of the Public Debt portfolio and minimise the potential risks of Government Borrowing;
 6. follow up the management by Government Entities, Government Companies, and other similar entities of the financial liabilities incurred by them as a result of loans;

7. create a reliable and transparent database of the Public Debt and the loans owed by Government Entities and Government Companies;
8. review, on a regular basis, the financial risks related to the levels of Public Debt and Government Guarantees; and submit the relevant reports to the Director General to take the appropriate action in this respect;
9. coordinate with the Federal Public Debt Management Office and other local public debt offices to develop the public debt management systems in the United Arab Emirates;
10. consider the procedures for Government Borrowing, for providing Government Guarantees, for repayment of loans, and for future borrowing plans; and submit the relevant proposals to the Director General;
11. supervise the implementation of the standards of transparency and disclosure of Government solvency; propose initiatives to enhance the trust of local and international investors; and promote relationships with investors and financial institutions in accordance with the international best practices;
12. prepare periodic reports on Public Debt management, and present the same to the Director General, in preparation for submission of the same to the SFC. These reports must include all details related to the amount of Public Debt, particularly the following:
 - a. the current state of Public Debt and the amounts of debts owed by the Government, Government Entities, and Government Companies;
 - b. plans for provision of the finance required to meet the financial needs of the Government; and
 - c. the recommendations required for improving Public Debt management and enhancing the financial stability of the Government, and
13. exercise any other duties or powers required for the achievement of the objectives of this Law, as assigned to it by the SFC or the Director General.

Purposes of Government Borrowing Article (7)

Government Borrowing will be exclusively intended for:

1. financing the General Budget deficit;
2. financing the projects included in the General Budget;
3. refinancing any mature or existing loans; and
4. any other purposes approved by the SFC.

Concluding Contracts Article (8)

The SFC will determine the Persons authorised to represent the Government in concluding any contracts related to Public Debt, in accordance with the provisions of this Law, other legislation in force in the Emirate, and the relevant table of financial approval powers adopted by the SFC.

Government Guarantees Article (9)

- a. The DOF is the entity authorised to issue Government Guarantees on behalf of the Government. These guarantees will be provided exclusively to achieve any of the purposes stipulated in Article (7) of this Law.
- b. The DOF may, in accordance with the standards adopted by the SFC, charge the entities benefiting from Government Guarantees any financial consideration for these guarantees; and may request these entities to provide mortgage security and any other guarantees in favour of the Government.

Obligations of the Entities Governed by this Law Article (10)

- a. Subject to the policies adopted by the SFC, the Government Entities, the Government Companies, and the entities benefiting from any Government loans, Government Guarantees, or financial support from the Government must:
 1. not borrow any money from, or provide any guarantee to, a third party without first obtaining the approval of the SFC;
 2. provide the PDMO with all reports, financial statements, and information it requests within the deadlines, as per the procedures, and in the manner prescribed by the PDMO; and
 3. in case of Government Entities and Government Companies, deposit the annual profits earned by them into the Public Treasury account in accordance with the profit distribution policy adopted by the SFC in this respect.
- b. The Chairman of the Executive Council may, upon the recommendations of the SFC, exempt from compliance with any of the obligations stipulated in paragraph (a) of this Article any Government Entity, Government Company, or other entity receiving financial support from the Government or benefiting from Government loans or Government Guarantees, based on a request submitted by that entity. This exemption will be granted in accordance with the criteria adopted by the SFC in this respect.

Early Repayment of Loans Article (11)

With a view to serving their best interests and without prejudice to their financial positions, the entities governed by this Law which obtain the SFC approval to borrowing may repay the relevant loans prior to their maturity dates without obtaining the prior approval of the SFC.

General Provisions Article (12)

- a. No taxes or fees may be imposed on the issuance of a Public Debt Instrument or on the payment of its issue price or proceeds, or the interest or profits resulting therefrom.
- b. Any contracts concluded by the Government in accordance with the provisions of this Law will not be subject to the provisions of the above-mentioned Law No. (12) of 2020. However, these contracts will be subject to the relevant rules, requirements, and procedures adopted by the SFC.

Delegation of Powers Article (13)

The SFC may delegate any of its powers under this Law to the Director General or the CEO, provided that such delegation is specific and in writing.

Issuing Implementing Resolutions Article (14)

The Chairman of the SFC will issue the resolutions required for the implementation of the provisions of this Law.

Repeals Article (15)

The above-mentioned Law No. (7) of 2008 is hereby repealed. Any provision in any other legislation will also be repealed to the extent that it contradicts the provisions of this Law.

Publication and Commencement Article (16)

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.