

Cabinet Resolution No. (25) of 2023

Approving the Mechanism for Collecting Administrative Fines Due to the Ministry of Human Resources and Emiratisation Through a Third Party

The Cabinet:

- Upon reviewing the Constitution;
- Federal Law No. (1) of 1972 Concerning the Competences of Ministries and the Powers of Ministers, and any amendments thereto;
- Federal Law No. (14) of 2016 Concerning Administrative Violations and Sanctions in the Federal Government;
- Federal Decree-Law No. (15) of 2018 Concerning the Collection of Public Revenues and Funds;
- Federal Decree-Law No. (26) of 2019 Concerning Public Finance, and any amendments thereto;
- Cabinet Resolution No. (21) of 2020 Concerning Service Fees and Administrative Fines in the Ministry of Human Resources and Emiratisation, and any amendments thereto;
- The proposal of the Minister of Finance and the approval of the Cabinet;

Has resolved as follows:

Article (1)

Definitions

In application of the provisions of this Resolution, the following words and phrases shall have the meanings assigned to each of them, 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 operating in the State.

Article (2)

Collection Mechanism

Administrative fines due to the Ministry shall be collected according to the following:

S	Time Period	Procedure
1	As of the date of imposing the administrative fine on the establishment and for a period of two months.	Sending a notice of the due administrative fine, stating the reasons, the value and the period granted as a grace period for payment.
		Electronic notifications shall be sent to the establishment to ensure its commitment to paying the value of the due fine before the end of the period granted as a grace period for payment.
2	Two months after the end of the payment grace period.	Stopping the service of new work permits for the establishment.
		Continuing to send electronic notifications to the establishment regarding its delay in paying the value of the due fine and urging settlement by payment through the Ministry's digital channels to avoid the liquidation of the bank guarantee.
3	Six (6) months after the end of the period granted as a grace period for payment.	Liquidation of the bank guarantee (if any) and settlement of the value of the due fine in whole or in part.
		Continuing to send electronic notifications to the establishment regarding its delay in paying the due fine and urging settlement with payment through the Ministry's digital channels to avoid stopping the services of all sole proprietorships or establishments owned exclusively by the owner of the violating establishment, taking into account the unity of partners.
4	Eighteen (18) months after the end of the period granted as a	Stopping the granting of new work permits to all sole proprietorships or establishments owned

	grace period for payment.	exclusively by the owners of the violating establishment, taking into account the unity of partners.
		Interest shall be added to the value of the fine unpaid within one year at an amount equal to the EIBOR interest rate in effect in the State.
		Continuing to send electronic notifications to the establishment regarding its delay in paying the value of the due fine and urging settlement by payment through the Ministry's digital channels.
5	Twenty-four (24) months after the end of the period granted as a grace period for payment.	Referring the debt file related to administrative fines to the third party to collect the due fines according to the mechanism determined by a resolution issued by the Minister in coordination with the Ministry of Finance.

Article (3)

Exclusions

The Minister may exclude some establishments from the procedures for collecting the due fines stated in Article (2) of this Resolution by virtue of a decision issued thereby for this purpose, specifying the conditions and controls for the exclusion and in coordination with the Minister of Finance.

Article (4)

Third Party Fees

The Cabinet shall issue, based on the proposal of the Minister of Finance and after coordination with the Minister, a resolution to determine the percentages of fees for the third party from the proceeds of the due administrative fines stated in this Resolution that are collected by it.

Article (5)

General Provisions

1. Due administrative fines stipulated in this Resolution shall be collected through the methods established by the Ministry of Finance in this regard.
2. The amounts of the administrative fines collected by the third party shall be deposited in the unified account of the State treasury.

Article (6)

Executive Resolutions

The Minister shall issue the Resolutions necessary to apply the provisions of this Resolution.

Article (7)

Publication and Entry into Force

This Resolution shall be published in the Official Gazette and shall enter into force thirty (30) days after the date of its publication.

Mohammed Bin Rashid Al Maktoum

Prime Minister

Issued by Us:

On: 05 Ramadan 1444 AH

Corresponding to: 27 March 2023 AD