

## **Cabinet Resolution No. (12) of 2023 Regarding Entrepreneurship Leave for self-employment for Federal Government Employees**

After perusal of the constitution;

Federal Law No. (1) of 1972 regarding the competencies of ministries and the powers of ministers and its amendments;

Federal Law No. (7) of 1999 regarding the issuance of Pensions and Social Security Law and its amendments;

Federal Decree-Law No. (49) of 2022 regarding Human Resources in the Federal Government; and

Based on what was presented by the Chairman of the Federal Authority for Government Human Resources, and the approval of the Cabinet,

The Cabinet has decided the following:

### **Article (1)**

In applying the provisions of the resolution hereof, the following words and phrases shall have the meanings herein assigned to them, unless the context requires otherwise:

Federal Entity	Any ministry established in accordance with the Federal Law No. (1) of 1972 regarding the competencies of ministries and the powers of ministers and its amendments, as well as any authority, institution or regulatory entity of the federal government.
Head of the Federal Entity	The minister, the chairman of the board of directors, the head of the entity, or their equivalent, as the case may be.
Employee	The UAE national employee who occupies one of the positions listed in the establishment of the federal entity. This does not include temporary contracts and part-time employees.
UAE National	The employee who holds the nationality of the United Arab Emirates.
Authority	Federal Authority for Government Human Resources (FAHR).
Leave	Entrepreneurship leave for self-employment.

## **Article (2)**

### **Scope of Application**

The resolution hereto shall be applied to federal entities, excluding companies owned by the federal government.

## **Article (3)**

### **The Authority Competent to Grant the Leave**

The head of the federal entity may grant the leave to the employee, in accordance with the conditions and controls set forth in this resolution.

## **Article (4)**

### **Conditions and controls for Granting Leave**

To grant a leave, the following shall be fulfilled:

1. The purpose of the leave is to establish an economic project in the private sector, manage an existing project, or participate with others in establishing an economic project.
2. The employee shall have obtained the necessary licenses for his project from the competent authorities in the country, or have the documents proving that he has proceeded, or being proceed with the necessary procedures to obtain the required licenses or shall prove that he has a previous project that he wishes to manage by himself or participates with others in an economic project.
3. The criteria contained in the guides issued by the Authority in coordination with the Ministry of Economy shall be fulfilled.
4. Compliance with the percentage or number decided by the federal entity to grant this leave as determined by the Authority.
5. The employee shall achieve (2) two score or its equivalent in the performance evaluation conducted by his employer.
6. The employee's total period of service in the (federal or local) entities he worked for shall not be less than five (5) years.
7. The employee shall have performed the national service or shall have proof of the relevant situation.
8. The employee shall not be committed to serving his employer as a result of being dispatched on a study mission, unless the employer decides otherwise.
9. The employee shall fulfill any other additional conditions or controls set by the employer.
10. The employee shall undertake not to use electronic or other channels or means available to the employer to promote his economic project.

**Article (5)**  
**Duration of Leave and Financial Allowances**

The duration of leave shall be one year, during which the employee shall receive (50%) of his total salary, excluding bonuses and allowances related to the job.

**Article (6)**  
**Number of Employees Who May Be Granted Leave**

The Authority may, as required by its work interest, determine the number or percentage of employees who are granted leave on an annual basis at the level of the federal government.

**Article (7)**  
**Duties of the Employee**

After obtaining the leave approval, the employee shall continue in his workplace for a period not less than the notice period prescribed for his job grade according to his employment contract, provided that all tasks assigned to him are handed over to another employee during that period. The said period shall not be included in the leave period.

The head of the federal entity or his deputy may exempt or reduce the aforementioned period, as required by the work interest in that federal entity.

**Article (8)**  
**Termination of Leave**

The duration of the leave shall be terminated in the following cases:

1. Expiry of the duration of the leave.
2. At the request of the employee and the approval of the head of the federal entity or his deputy.

**Article (9)**  
**Combining Leaves**

The employee may combine this leave with unpaid leave and annual leave.

**Article (10)**  
**General Provisions**

1. During leave, the employee shall be subject to the provisions of the Human Resources Law in the Federal Government, its executive regulations, and all decisions issued on the basis thereof.
2. During the leave, the employee shall not be entitled to annual leave or any kind of promotion, incentives, bonuses, or any other type of leave or promotions of any kind.
3. Public holidays or any other vacations during the leave shall be considered part of it. Neither the leave may be extended, nor the employee may be compensated for it.
4. The employee's contribution to the pension plan shall continue throughout the leave period, as it is considered a continuous period of service for the employee. The employee's monthly deduction continues by calculating the employee's contribution before taking the leave. While the employee is to be liable for his own contribution rate, the employer shall transfer the full monthly contributions to the General Pension and Social Security Authority on the due dates.
5. Following the completion of the leave period, the employee shall be returned to his original job in the federal entity or to any other job approved by the employer as required by the work interest.

**Article (11)**

The Chairman of the Authority shall issue the necessary decisions and guides to put this resolution into force. In this regard, he may amend the conditions and controls set forth in this resolution as required by the work interest in the federal government.

**Article (12)**  
**Publication and Implementation of the Resolution**

This resolution shall be published in the Official Gazette and shall be effective as of 01/03/2023.

Mohammed bin Rashid Al Maktoum  
Prime Minister