

Circular No (28) for 2015
Cabinet Resolution No 18 of 2015 endorsing Rewards and Incentives System for Federal Government employees

To: All Independent Federal Entities & Authorities

The Federal Authority for Government Human Resources (FAHR) would like to send you kind regards, wishing you all the success in your endeavors.

Pursuant to Cabinet Resolution No 18 of 2015, endorsing the Rewards and Incentives System for Federal Government employees, along with standards and conditions of all kinds of reward including cash, annual and other bonuses and incentives; and to enable the ministries and federal entities to take necessary steps to implement the system;

We would like to attach herewith a copy of the Cabinet Resolution for your information and necessary action, specifically:

- Setting up a Rewards and Incentives Committee within each federal entity as per the conditions and mechanisms contained in the system
- Publicizing the system via the channels available at each entity to raise awareness of employees about the such conditions and mechanisms

FAHR is prepared to provide assistance and support needed to the ministries and federal entities regarding proper implementation of the system.

Thank you for your cooperation

Issued on: June 16, 2015

Dr. Abdulrahman Al Awar,
Director General,
Federal Authority for Government Human Resources

Enclosure: Cabinet Resolution No 18 of 2015, endorsing the Rewards and Incentives System. The resolution can be accessed on: FAHR website: www.fahr.gov.ae

Cabinet Resolution No 18 of 2015 of 2015, endorsing the Rewards and Incentives System for Federal Government employees

Council of Ministers,

- ❖ After perusal of the Constitution
- ❖ Federal Law No (1) for 1972 on the competences of the Ministries and the Powers of the Ministers;
- ❖ Federal Law by Decree No (11) for 2008 regarding Federal Government Human Resources as amended;
- ❖ Federal Law No. (8) for the year 2011 on Reorganization of the State Audit Institution;
- ❖ Cabinet Resolution No (12) for 2012 endorsing Performance Management System for Federal Government employees;
- ❖ Cabinet Resolution No (13) For 2012 on the Executive Regulations of Federal Law by Decree No (11) for 2008 Regarding Federal Government Human Resources and Amendments thereof; and
- ❖ Based on the of Council of Ministers' approval

Decides as follows:

Article (1)

The attached Rewards and Incentives System for Federal Government employees is hereby endorsed

Article (2)

The Federal Authority for Government Human Resources shall propose any amendments to the criteria and conditions for granting rewards and as per the best practices in this regard, and whenever necessary, prior to submission to the Cabinet for endorsement

Article (3)

This Resolution shall be published in the official gazette, and shall take effect on the day following its publication

Mohammed Bin Rashid Al Maktoum

Prime Minister

Issued on 21st Rajab, 1456 H
Corresponding to May 10, 2015

Rewards and Incentives System for Federal Government employees endorsed by Cabinet Resolution No 18 of 2015

First: Definitions

In application of the provisions of this Regulation, the following words and expressions shall have the meanings assigned against each unless the text stipulates otherwise:

State:	United Arab Emirates
Government:	Government of the United Arab Emirates
Cabinet:	Cabinet of the United Arab Emirates
Ministry:	the highest ranking official in a ministry
Federal Entity:	Any ministry or Federal authority or entity having its own system by establishing law
Minister:	The highest ranking official in a ministry, or equivalent
Employee:	Any person who occupies a budgeted job
Basic Salary:	An employee's initial rate of compensation prescribed for a grade, and any increases thereof
HR Department:	The administrative unit responsible for human resources in a Federal entity
Bonuses & Incentives:	Any moral or material reward whether monetary or non-monetary, given to recognize an outstanding effort or behavior, during / outside official working hours, which contributes to enhancing work system in a ministry or federal entity
Committee:	Rewards and Incentives Committee formed according to the provisions of this system
External Partners:	Employees who belong to federal or local entities other than those working in the ministry or federal entity granting the reward, and have jointly contributed to achievement tasks in the ministry or federal entity.

Second: Objectives

This system aims to:

1. Recognize employees' efforts regarding the development of government work, and promote institutional loyalty and teamwork

2. Provide a unified approach for the ministries and federal entities to motivate their outstanding employees
3. Identify procedures and steps to be followed when rewarding Federal Government employees
4. Motivate employees to raise performance level and create a competitive environment among the Federal Government employees

Third: Applicability

- a) Notwithstanding the provision of clause (B) of this Article, this system shall apply to all employees working in the ministries and federal entities that meet the conditions thereof, regardless of their grades, categories and type of contracts
- b) The following categories shall be excluded from the scope of applicability:
 - I. Employees hired on temporary contracts
 - II. Employees whose contracts do not include any bonuses or monetary rewards, unless the minister decides otherwise
 - III. Employees who have been terminated for any reason other than attaining the retirement age. The latter category may be entitled to any of the bonuses and incentives contained therein
 - IV. Employees hired by consulting firms and outsourced by the ministries and federal entities to provide certain services
 - V. Committees and work teams within a ministry or federal entity

Fourth: Rewards and Incentives Committee

- a) There shall be a committee called Rewards and Incentives Committee in each ministry or federal entity, to be formed by a decision of the minister. The Committee shall be chaired by the Minister or the Under-Secretary of the Ministry or an authorized representative, with the membership of Assistant Under-Secretaries, Directors of Human Resources, Services, Strategic Planning & Institutional Excellence and Finance, the latter acting as rapporteur.
- b) The Committee will meet periodically to discuss the nominations of employees who deserve rewards and incentives as proposed by HR

departments in coordination with concerned departments prior to submission to the Minister or his authorized representative for approval.

Fifth: Functions & Responsibilities

Entity	Functions & Responsibilities
the Minister or authorized representative	<ul style="list-style-type: none"> - Approve the annual budgets for the rewards and incentives programs which will be submitted for approval within the special financial items pertaining to incentives and bonuses in a ministry or federal authority's budget, in accordance with the mechanisms and procedures adopted by the Federal Government. - Endorse the list of employees nominated for rewards, the value of the reward for each, and the decision to disburse bonuses.
Rewards and Incentives Committee	<ul style="list-style-type: none"> - Review the annual budget for the program; propose financial amounts to be allocated within the budget of the ministry or the federal authority - Receive applications from the HR department to determine bonuses and coordinate with them to provide the required data and response in the event of non-approval - Prepare a list of employees entitled to rewards and submit the same to the minister for approval <p>Prepare an annual report on bonuses and incentives within the ministry or federal entity .</p>
HR Department	<ul style="list-style-type: none"> - Scrutinize applications submitted by candidates from different departments and sectors of ministries and federal bodies, according to the criteria and conditions set forth in this system and submit the same to the Rewards and Incentives Committee for consideration. - Coordinate with the Finance department to ensure availability of financial allocations before referring any proposals to the Committee - Organize the annual ceremony to honor some categories under rewards and incentives program

	Prepare certificates of appreciation for the candidates in coordination with the Committee.
Finance Department	<ul style="list-style-type: none"> - Ensure the availability of necessary funds for the disbursement of bonuses and incentives, according to the budget allocated for the ministry or the federal entity - Oversee the disbursement of bonuses and incentives based on decisions and financial allocations.

Sixth: Types of Rewards

A. Cash Bonus

Reward granted to an employee for outstanding proposals that contribute to improved performance and work system in general, or help in achievement of strategic objectives, and add new creative ideas and value to the entity.

Criteria and Conditions of Cash Bonus

- I. The employee must have passed the probation period successfully
- II. The value of the bonus should be commensurate with the employee's achievement and performance according to the provisions of this system.
- III. Availability of funds in accordance with the suggestions system applicable in the ministry or federal entity
- IV. An employee may be granted more than one cash bonus during the year, provided the total value of these bonuses does not exceed two basic salaries.

Categories of Cash Bonus

Cash bonuses are awarded to the following categories:

- 1) Exceptional Employee
- 2) Creative Employee
- 3) 'Testahal' Employee
- 4) Outstanding Employee
- 5) Social Employee

- 6) Unknown Soldier
- 7) External Partners

1. Exceptional Employee

- The bonus is awarded to an employee who demonstrates exceptional efforts services beyond the scope of his job objectives

Criteria & Conditions of Entitlement	Reward Value
<ul style="list-style-type: none"> ○ Examples of exceptional efforts include the development and simplification of procedures, increasing productivity in the ministry or federal entity ○ These efforts should not be part of the employee's job duties and individual goals planned for according to the system ○ The efforts should contribute to the achievement of the entity's goals at the operational and strategic levels 	<ul style="list-style-type: none"> ○ The value of bonuses in this category varies according to evaluation of the ministry or the federal entity to the employee's efforts. The maximum amount should not exceed two basic salaries in a year

2. Creative Employee

- The bonus is awarded to an employee who provides creative proposals and ideas as per the suggestions scheme within the ministry or federal entity

Criteria & Conditions of Entitlement	Reward Value
<ul style="list-style-type: none"> ○ Providing creative proposals and ideas not included in the plan ○ The creative proposals and ideas are adopted, actually implemented and evaluated ○ The proposal must meet all the criteria of the suggestions scheme adopted by the ministry or federal entity ○ The employee must not have been awarded any bonus for the same proposal before 	<ul style="list-style-type: none"> ○ The value of bonuses in this category varies according the nature of suggestion provided, and shall not exceed one basic salary per year, according to the suggestions system in place at the ministry or federal entity

3. 'Testahal' Employee

- An award granted to the employee who wins 'Testahal' (You deserve it) competition, one of the effective motivational methods launched by the Federal Authority for Government Human Resources for the purpose of encouraging the staff to pursue creativity. Winners to be honored are divided into four major categories: administrative, educational, medical and professional, and any other categories that may be specified by the program

Criteria & Conditions of Entitlement	Reward Value
<ul style="list-style-type: none">○ The employee must meet all the criteria specified for the program in his ministry or the federal entity to win "All-Round Employee"	<ul style="list-style-type: none">○ Not exceeding one basic salary per year

4. Outstanding Employee

- Given to employees who win one of institutional excellence awards within the ministry or federal entity or at the Federal Government level

Criteria & Conditions of Entitlement	Reward Value
<p>The employee must:</p> <ul style="list-style-type: none">○ Be winner of an award allocated to one of the categories under institutional excellence in the ministry or federal entity,○ Shortlisted to compete for Sheikh Mohammed bin Rashid Government Excellence Awards or any of Excellence Awards at the federal level or similar official awards, OR○ Be winner of one of Sheikh Mohammed bin Rashid Government Excellence Awards or any of Excellence Awards at the federal level or similar official awards, OR○ Be member of a team or organizational unit winning one of Sheikh Mohammed bin Rashid Government Excellence Awards or any of	<ul style="list-style-type: none">○ Not exceeding two basic salaries per year

<p>Excellence Awards at the federal level or similar official awards, OR</p> <ul style="list-style-type: none"> ○ Be member of an outstanding team or organizational unit shortlisted to complete for one of Sheikh Mohammed bin Rashid Government Excellence Awards or any of Excellence Awards at the federal level or similar official awards 	
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5. Social Employee

- Awarded to employees who promote the role of the ministry or the federal entity in the field of community service through volunteer work or membership in community service associations

Criteria & Conditions of Entitlement	Reward Value
<p>The employee must:</p> <ul style="list-style-type: none"> ○ Have performed an outstanding voluntary work outside official working hours to help community development ○ Present evidence of his contribution ○ The social work performed must be voluntary without pay from any source ○ Have performed the social work outside official working hours 	<ul style="list-style-type: none"> ○ A lump sum amount of AED 5000

6. Unknown Soldier: Service & Support category employees

- An award allocated for employees who demonstrate excellence in the job tasks entrusted to them, abide by code of conduct for public servants, preserve public property and approach work with dedication and positive attitude

Criteria & Conditions of Entitlement	Reward Value
<p>The employee must:</p> <ul style="list-style-type: none"> ○ Demonstrate good conduct ○ Abide by official working hours ○ Initiates additional activities and efforts that impress his supervisors and co-workers 	<ul style="list-style-type: none"> ○ A lump sum bonus. May be granted more than once, for a maximum of three times per year,

<ul style="list-style-type: none"> ○ Be cooperative and helpful to all workers within the ministry or federal entity 	<p>provided the amount does not exceed AED 3000</p>
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7. External Partners

Criteria & Conditions of Entitlement	Reward Value
<p>The employee must:</p> <ul style="list-style-type: none"> ○ Have jointly contributed to achievement of tasks towards the realization of the federal entity's objectives and improvement of its performance ○ His participation and efforts add value to the ministry or federal entity and impress his supervisors and co-workers ○ Be cooperative, positive and helpful in achieving the objectives of the ministry or federal entity ○ meet any of the conditions or criteria set by the ministry or the federal entity which are consistent with the nature of its work 	<ul style="list-style-type: none"> ○ A lump sum bonus. May be granted more than once, for a maximum of three times per year, provided the amount does not exceed AED 3000

B. Annual Bonus

- The award is granted to employees who put outstanding efforts to accomplish the tasks assigned to them using the **S.M.A.R.T.** method, leading to simplification of procedures and increased productivity with the least amount of resources, and based on the results of Performance Management System for federal Government employees.
- The bonus is awarded to eligible employees at the end of the Performance Management System cycle (Annual Performance Review) each year, according to the assessment of Moderation Committee to the final evaluation result.

Criteria & Conditions of Entitlement	Reward Value
<ul style="list-style-type: none"> Employee has at least one year's continuous service in the entity Has an outstanding performance rating as per the Performance Management System (Significantly Exceeds Expectations or Exceeds Expectations) No employee may combine annual bonus with any type of promotions No employee may be entitled to a bonus before at least 12 months from the last bonus granted. 	<ul style="list-style-type: none"> An employee with "Significantly Exceeds Expectations" rating shall be granted a bonus not exceeding three basic salaries, while that who attains an overall rating "Exceeds Expectations", shall be granted a bonus equivalent to two basic salaries.

C. Other Rewards

- These include symbolic awards to employees with exceptional achievements that would contribute to the development of work system

Criteria & Conditions of Entitlement	Reward Value
<ul style="list-style-type: none"> Employee has scored an outstanding performance rating as per the Performance Management System (Significantly Exceeds Expectations or Exceeds Expectations) Exceptional performance with positive impact as per the conditions set by the ministry or federal entity 	<ul style="list-style-type: none"> Certificate of appreciation issued by the minister or his authorized representative at a special ceremony salaries Gifts whose value does not exceed AED 5000.

Seventh: General Provisions

- Bonuses and incentives shall be paid out the approved budgets of ministries or federal entities, and within the limits and controls of the financial allocations available for this system

- b) Nomination of employees to get one of the rewards provided for herein shall be made by the concerned organizational unit in the ministry or federal entity, in coordination with the HR department
- c) An employee shall not be entitled to any reward provided for herein if he has been subject to disciplinary measures
- d) An employee shall not be entitled to any reward provided for herein if he has been terminated for any reason other than attaining the retirement age
- e) The basic salary for those hired on lump sum contracts shall be determined on the basis of grades equivalent to their total salary

This translation of the text of Federal Law by Decree No. 11 of 2008 on human resources in the federal government and amendments thereof for the purpose of identifying articles of the law and have no legal authority and the Arabic text in the case of disagreement.