



Ministry of Industry & Advanced Technology National In-Country Value (ICV) Certification Guidelines for Suppliers

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INTRODUCTION

The National In-Country Value Program (ICV) aims to enable the Ministry of Industry and Advanced Technology (MoIAT) to improve the performance and sustainability of the industrial sector, by increasing the contribution of local industries. It also aims to support local companies and recognize their important role in advancing economic and social development, as well as contributing to the growth of GDP.

The ICV Certificate is issued to suppliers by authorized Certifying Bodies, evaluating their contribution to the UAE economy. Certified suppliers are then able to submit the ICV Certificate to any of the Participating Entities in the program.

The ICV score is stated on the system-generated ICV Certificate and reflects the total amounts spent on local products and services, investments, and the hiring and development of Emiratis.

DEFINITIONS

- a. Participating Entities – All government entities and companies who have implemented the In-Country Value (ICV) program.
- b. Supplier(s) – The company (legal entity) acquiring the ICV Certificate.
- c. Certifying Body – A professional services firm who has been empaneled and authorized by MoIAT for verifying and issuing the ICV Certificate.
- d. ICV Certificate – Certificate issued through the official ICV Platform that states the Supplier's ICV score.
- e. Audited Financial Statements -Supplier's financial statements that have been prepared by the company and audited by an independent licensed auditor in accordance with International Financial Reporting Standards (IFRS) and International Standards on Auditing (ISA)
- f. ICV Template – Means the template which the Supplier fills to calculate the ICV score as per ICV formula.

GENERAL INSTRUCTIONS

- a. The ICV Certificate shall be obtained for each legal entity of the Supplier that intends to be certified. Each license of a company is considered an independent legal entity, even if the ownership is the same. However, if a company has different branches in the same Emirate with identical activities and ownership listed on the licenses, then one combined ICV Certificate will be issued for the company in that Emirate.

- b. All figures entered in the ICV Template should align with the Supplier's latest Audited Financial Statements. The Audited Financial Statements should be prepared by the Supplier in accordance with the International Financial Reporting Standards (IFRS) and audited by a licensed auditor in the UAE following the International Standards on Auditing (ISA).
- c. The Audited Financial Statements must not be older than 2 years from the certification year. For example, for ICV certification in 2023, the financial statements considered must not be older than 2021. For newly established companies (less than 10 months old) that do not have audited financial statements, the management accounts (unaudited financial statements) for a period of up to 9 months can be used for ICV calculations. Any management accounts exceeding 9 months will require auditing.
- d. The ICV Certificate shall be valid for a period of 14 months from the date of issuance of the Audited Financial Statements. The Supplier can obtain recertification during the validity of the ICV Certificate using the same Audited Financial Statements, however the validity of 14 months from the initial issuance will still apply.
- e. Upon appointing an authorized Certifying Body, Supplier shall not change the Certifying Body for that year's ICV Certificate without proper justification.
- f. The figures reported in the ICV Template should correspond to the figures in the Supplier's Audited Financial Statements and relevant supporting documents. The reported figures must include all costs incurred and revenues earned during the financial year, unless otherwise specified in these guidelines. The different scenarios regarding the consideration of Audited Financial Statements are outlined in the attached flowchart (Annexure-1) accompanying these guidelines.
- g. The reported figures shall be in AED unless specified otherwise. For currency conversions, the following considerations apply:
- **1 USD = 3.6725 AED .**
 - **Other currency conversions shall be done based on the rate specified in the purchase order for goods/services.**
- h. If the Supplier is unable to provide the details of the cost of sale (listing by vendor and by invoice), purchases made during the year can be considered. In such cases, the difference between the opening and closing inventory (stock) should be adjusted as "others" to reconcile with the cost of sale (consumption) figures in the Audited Financial Statements and financial records. The "others" should then be divided in the same proportion as the 'total inside UAE costs' and 'total outside UAE costs'.
- i. Suppliers holding an Industrial License are required to submit annual consumption details in units (kWh (kilowatt-hours), cubic meters (m³)) for water, electricity, and gas.

- j. Assumptions and calculation methodologies utilized in preparing the ICV Template shall be consistent with these guidelines.
- k. The Supplier shall have all documentation supporting the reported financial figures. All submitted information will be verified by the authorized Certifying Body. The designated personnel representing MoIAT have the right to conduct audits and reviews of all ICV certification engagements. Suppliers and Certification Bodies are required to share the necessary information with designated personnel whenever requested by MoIAT.
- l. Any gross negligence or willful default by Suppliers in their submissions will result in appropriate punitive measures, including being banned from the National ICV Program.
- m. The Supplier can obtain the ICV Template from <https://moiat.gov.ae/en/icv/information-for-suppliers>. The Supplier is required to fill out the figures and other details in the non-shaded areas of the template.
- n. Suppliers can register on the ICV Platform by following these steps:
 - 1. Visit <https://icv.moiat.gov.ae/>.
 - 2. Log in using UAE Pass.
 - 3. If the company does not have an existing profile, register the company through the “Register Company” button.
 - 4. Complete the company registration process.
- o. After registering on the ICV Platform, Suppliers can apply for an ICV Certificate by following these steps:
 - 1. Visit <https://icv.moiat.gov.ae/>.
 - 2. Login through UAE Pass. You will be redirected to the ICV Platform’s “Main Page”.
 - 3. Click on the “Bidding Process” tab.
 - 4. To initiate a new bidding process, click on the “Select CBs” button.
 - 5. From the provided list of authorized Certifying Bodies, select the ones you would like to receive offers from, then complete the questionnaire.
 - 6. Fill out the questionnaire based on your company details and click on “Request Quote”. The Certifying Bodies will receive your company details and provide price quotations based on that. You can then accept, counteroffer, or reject the Certifying Body’s offer accordingly. Once you accept one of the quotations, all other quotations will be rejected.

7. Your selected Certifying Body will upload a signed copy of the engagement letter in the “Engagement Letter” tab.
 8. Once the upload is completed, you can proceed with populating the ICV Certificate information.
 9. Fill out the draft version, which will then be reviewed, endorsed, signed, and approved by the Certifying Body.
- p. Suppliers are strongly encouraged to appropriately modify their existing trial balance and account codes to separately capture specific costs required by the ICV certification process. This measure ensures an efficient certification process in future years. For example, Suppliers can establish distinct codes for Emirati payroll costs, training costs, manufacturing costs, and so on.
- q. Suppliers are required to register in the NAFIS Program as ‘Partners’ through <https://nafis.gov.ae/>. Registration on the NAFIS platform is required for all Private companies prior to obtaining the ICV Certificate.
- r. For the purpose of ICV calculations, the following factors shall be taken into consideration based on the type of company:

Type of Company	Consideration for ICV
LLC in main land UAE (Limited Liability Company)	Within UAE
Free Zone companies	<u>Goods Manufacturer</u> - Within UAE <u>Service Providers</u>- All attributes except Investment will be considered within UAE
Offshore Company	Outside UAE
Representative Office	Based on parent company
Branch Office in main land UAE	Within UAE

ICV CALCULATION FORMULA

Below are the components of ICV Calculation Formula:

- a. **Goods Manufacturer** – Supplier who manufactures and supplies a finished product to an external customer. A Supplier holding an Industrial License in UAE shall be considered as Goods Manufacturer. For a Supplier who is a Goods Manufacturer, the following attributes will be considered:
 1. Manufacturing Cost
 2. Investment
 3. Emiratization
 4. Expatriate Contribution
 5. ICV Bonus – Revenue from Outside UAE, Emirati Headcount, and Investment Growth
 6. Advanced Technology and Sustainability Bonus

- b. **Service Provider** – Any Supplier who is not a Goods Manufacturer is considered as “Service Provider”. A Supplier who has a license other than an Industrial License shall be considered as Service Provider. For a Supplier who is a Service Provider, the following attributes will be considered:
 1. Third Party Spend
 2. Investment
 3. Emiratization
 4. Expatriate Contribution
 5. ICV Bonus – Revenue from Outside UAE, Emirati Headcount, and Investment Growth
 6. Sustainability Bonus

- c. A Supplier who is an Agent / Trader will be considered as “Service Provider”. However, an Agent/Trader established to sell the products of only one principal Goods Manufacturer in UAE shall be considered as Goods Manufacturer.

- d. The formulas for calculation of ICV score along with the weightage for each of the attributes are detailed below:

Goods Manufacturer ICV Formula

Manufacturing Cost	Investment		Emiratization		Expatriate Contribution		ICV Bonus	Advanced Technology & Sustainability Bonus	
50%	25%		15%		10%		5%	6%	
$\frac{\text{(Manufacturing cost incurred in UAE + Emirati Cost + 60\% of Expat Cost)}}{\text{(Total Cost)}}$	10%	(Net Book Value of Assets in UAE)	2%	Up to AED 200K Salary, Training, benefits	1 to 3%	1 to 5 employees	$\frac{\text{Total Annual Revenue from outside UAE (Excluding Re-exports)}}{\text{Total Annual Revenue}}$	Up to 5%	Manufacturers can increase their ICV score by up to 5 percent by participating in the Industrial Technology Transformation Index (ITTI) Apply now through Industrial Technology Transformation Index (moiat.gov.ae)
		Net Book Value of Total Assets			4 to 6%	6 to 50 employees			
	15% Progressive	AED, Million 5 to 50 = 5%	2-15% Progressive	Above AED 200K to 20M Salary, Training, benefits	7 to 9%	51 to 200 employees	$\frac{\text{Growth in Net Book Value of Assets}}{\text{Previous Year Net Book Value of Assets}}$		
AED, Million 51 to 100 = 5%		10%			Above 200 employees				
AED, Million 101 to 150 = 5%									

Service Provider ICV Formula

Third Party Spend	Investment		Emiratization		Expatriate Contribution		ICV Bonus	Sustainability Bonus	
50%	25%		15%		10%		5%	3%	
$\frac{\text{((Value of Purchase x ICV of supplier) + Emirati Cost + 60\% of Expat Cost)}}{\text{(Total Cost)}}$	10%	(Net Book Value of Assets in UAE)	2%	Up to AED 200K Salary, Training, benefits	1 to 3%	1 to 5 employees	$\frac{\text{Total Annual Revenue from outside UAE (Excluding Re-exports)}}{\text{Total Annual Revenue}}$	2% (0.5% Each)	Implementation of Policies related to: <ul style="list-style-type: none"> • Sustainability Strategy and Governance • Material Circularity • Water and Wastewater Management • Emission Management
		Net Book Value of Total Assets			4 to 6%	6 to 50 employees			
	15% Progressive	AED, Million 5 to 50 = 5%	2-15% Progressive	Above AED 200K to 20M Salary, Training, benefits	7 to 9%	51 to 200 employees	$\frac{\text{Growth in Net Book Value of Assets}}{\text{Previous Year Net Book Value of Assets}}$		
AED, Million 51 to 100 = 5%		10%			Above 200 employees				
AED, Million 101 to 150 = 5%									

- e. The ICV Template consists of a Microsoft Excel file with tabs dedicated to each of these attributes, wherein the Supplier has to fill the figures from the Audited Financial Statements as explained in subsequent pages of these guidelines.
- f. Throughout these guidelines, the page number headings correspond to the separate tabs which have been incorporated into the “ICV Template” that is used to calculate the ICV% of Supplier.

5.1 ICV Summary

Applicability – Applicable for all Suppliers

Page-1
ICV Summary

The Supplier is required to fill the following:

Section A – Company General Information

An extract of the Company General Information section of the ICV Template is shown below:

IN-COUNTRY VALUE TEMPLATE			
A. COMPANY GENERAL INFORMATION			
Name (as per License)		License No.	
Address (as per License)		Contact Person Details	
		Name	
		E-mail	
		Office	
		Mobile	
Company Type (Select from drop down list)		Company based in (Select from drop down list)	
Financial Year End date (mm/dd/yyyy)		Audited Financial Statement Issue date (mm/dd/yyyy)	
Company Business			

Supplier is required to add the following details in the template:

1. Name as per License – name of the Supplier as mentioned in License
2. License Number
3. Address as per License
4. Contact Person details:
 - Name
 - E-mail
 - Office Tel number
 - Mobile number
5. Company Type - choose the appropriate type from the drop-down list:
 - Small Medium Enterprises (SME) in UAE
 - Non-SME in UAE
 - International Company

For selection of SME/Non-SME, please be guided by as per SME definition in website of National Program for Small and Medium Enterprises and Projects (<https://www.uaesme.ae/en/about/official-definition>).

6. Company based in - choose the appropriate type from the drop-down list:
- Within UAE
 - Outside UAE

Note – Goods Manufacturers in Free Zone should choose “Within UAE” and Service Providers in Free Zone should choose “Outside UAE”

7. Financial Year End Date – Supplier shall fill the end date of the financial year, which serves as the basis for issuing the ICV Certificate. An ICV Certificate cannot be issued more than 2 years after this date. The date shall be entered in (mm/dd/yyyy) format.

8. Audited Financial Statements Issue date – Supplier to enter the date of issuance of the Audited Financial Statements. The ICV Certificate will be valid for 14 months from this date. The date shall be entered in (mm/dd/yyyy) format.

9. Company Business - choose the appropriate type from the drop-down list:
- Goods Manufacturer
 - Service Provider

Refer to sections 4.a and 4.b above for guidance related to Company Business types.

Section B – In-Country Value Details

This section is protected and Supplier shall not enter any information in this section.

The results are calculated based on the figures entered by the Supplier in subsequent sections.

The validity date of the ICV score is calculated as per Section (3.d) of these guidelines.

This page shall bear the e-signature of Suppliers’ Power of Attorney or any senior / authorized signatory, Company stamp and date; and Certifying Body representative’s e-signature, Designation, Company Stamp and date.

This page shall not be considered as the official Company ICV Certificate. Only approved system-generated certificates obtained from MoIAT ICV Platform shall be considered as official ICV Certificates.

5.2 General Questionnaire

Applicability – Applicable for all Suppliers

Page-1 A General Questionnaire

All Suppliers shall fill in the general questionnaire based on the reported financial year.

The details provided in the general questionnaire are only for information purposes and will not affect the ICV score calculations.

5.3 Manufacturing Cost

Applicability – Applicable only for Goods Manufacturers

Page-2
Goods
Manufactured

Supplier shall fill the following:

1. Goods Description

Supplier shall list all goods manufactured in the latest financial year, in broad categories. If there are multiple goods falling under same or similar category, these can be combined as one-line item in the template.

Note - Training cost for Employees shall not be included in the Third Party Spend (shall be included in Emiratization or Expat tabs)

2. Total cost

Supplier shall provide the breakdown of total cost for goods/services listed in the table. The breakdown shall be as follows:

Level -1

➤ **Total cost will be split into:**

- Within UAE cost – All costs incurred within UAE
- Outside UAE cost – All costs incurred outside UAE

GOODS MANUFACTURED															
TOTAL GOODS MANUFACTURED ICV%															
TOTAL COST															
WITHIN UAE						OUTSIDE UAE									
Third party cost						Internal cost (AED)	Third Party Cost				Internal cost (AED)	TOTAL ICV (AED)			
Goods Manufacturer			Service Provider			Name	Procured Cost (AED)	ICV %	ICV value (AED)	Name	Procured Cost (AED)	ICV %	ICV value (AED)	Internal cost (AED)	TOTAL ICV (AED)
Name	Location	Procured Cost (AED)	Name	Location	Procured Cost (AED)										

Level -2

➤ **“Within UAE” & “Outside UAE” cost shall be further split into:**

- Third Party Cost – All cost paid to third party companies

3. Internal Cost – Only Depreciation / Amortization cost of Assets to be considered

GOODS MANUFACTURED															
TOTAL GOODS MANUFACTURED ICV%															
TOTAL COST															
WITHIN UAE						OUTSIDE UAE									
Third party cost						Internal cost (AED)	Third Party Cost				Internal cost (AED)	TOTAL ICV (AED)			
Goods Manufacturer			Service Provider			Name	Procured Cost (AED)	ICV %	ICV value (AED)	Name	Procured Cost (AED)	ICV %	ICV value (AED)	Internal cost (AED)	TOTAL ICV (AED)
Name	Location	Procured Cost (AED)	Name	Location	Procured Cost (AED)										

Level -3

➤ **Third party cost under “Within UAE” - This shall be further split into:**

- **Goods Manufacturer – Company holding Industrial license**
 1. Supplier shall enter the name of the Manufacturer, Location of the Manufacturer (Emirate) and the cost of purchases from the Manufacturer.
 2. The cost of purchases from UAE Manufacturer will be considered as 100% incurred ‘Within UAE’.
- **Service Provider – Company holding a license other than Industrial license.**
 1. Supplier to enter the name of the Agent/Service Provider, Location of the Service Provider (one of the seven Emirates in UAE), cost of purchases and ICV% of the Service Provider.
 2. In case of “Within UAE” cost will be calculated by multiplying cost of purchases from the Agent/Service Provider with ‘50%’ or ‘ICV% of the Agent/Service Provider’, whichever is higher.

GOODS MANUFACTURED													
TOTAL GOODS MANUFACTURED ICV%													
TOTAL COST													
WITHIN UAE						OUTSIDE UAE							
Third party cost						Internal cost	Third Party Cost				Internal cost	TOTAL ICV	
Goods Manufacturer			Service Provider			(AED)	Name	Procured Cost	ICV	ICV value	(AED)	(AED)	(AED)
Name	Location	Procured Cost (AED)	Name	Location	Procured Cost (AED)	ICV%	ICV value (AED)	(AED)	(AED)	(AED)	(AED)	(AED)	

➤ For Third party Service Providers, the following shall be considered:

Type of Vendor	ICV%
Water / Electricity	80%
Fuel	ICV of the provider
Rent paid for Property/Land from individuals or companies	80%
Telecom Providers	As per the ICV of the provider
UAE Government charges – Directly paid to Government or through Government licensed entities	100%
Payment to Governmental Free Zone Authorities in UAE	100%
Local Farmers in UAE	80%

➤ Third Party cost under “Outside UAE”:

In this Section, Supplier shall provide the name of the Manufacturer/ Agent/ Service Provider, cost of purchases and ICV% of the Manufacturer/ Agent/Service Provider.

4. The following shall not be included as part of total costs:

- Management fees (amounts paid to board of directors' members)
- Sponsorship fees (amounts paid to sponsor of company in UAE)
- Governmental fines / penalties / taxes
- Charity amount/ expenses for Corporate Social Responsibility
- Loss on disposal of assets / foreign exchange
- Depreciation on excluded assets

5. While considering the vendors from Free Zone, the following shall be noted:

- "Goods Manufacturers" based in Free Zone will be considered as "**Within UAE**"
- "Service Providers" based in Free Zone will be considered as "**Outside UAE**"

6. ICV Calculation

The ICV is calculated as follows:

$$\frac{(Total\ ICV\ value) + Emirati\ cost\ (Page-5) + 0.6 \times Expat\ cost\ (Page-6)}{(Total\ Cost)\ \#} \times 0.5$$

Note – (#) – Total Cost includes all cost except the items mentioned in (4) above and shall be calculated from total cost in Page 2 (Goods Manufactured), Page 5 (Emiratization) and Page 6 (Expatriation contribution)

5.4 Third Party Spend

Applicability – Applicable only for Service Providers

**Page-3
Third Party Spend**

An extract of the ICV Template is shown below:

THIRD PARTY SPEND					
TOTAL THIRD PARTY ICV%					
Goods / Services Description	Vendor Name	Cost of Procurement (AED)	Location	Vendor ICV%	In Country Procurement Value (AED)
					-
					-
					-

a. Goods/Services Description

- Supplier shall list all the Goods/Services procured in the previous financial year in broad categories. If there are multiple goods falling under same or similar category, they can be combined together as one-line item in the template. For example – different specifications of valves procured could be combined as one-line item titled “Valves”.

Note - Training cost for Employees shall not be included in Third Party Spend (same to be included in Emiratization or Expat tabs)

b. Vendor Name

- Supplier shall indicate the “Vendor name” that supplied the Goods/Services.

c. Cost of Procurement

- Supplier shall provide the cost of Goods/Services procured from the Vendor.

d. Vendor ICV%

- Supplier shall indicate the ICV% of the Vendors. This should be backed up with ICV Certificates of Vendors issued by one of the authorized Certifying bodies. For the purpose of ICV calculation only, a vendor who is based in UAE mainland will be automatically granted 10% ICV score. For all other vendors, the ICV score shall be considered as zero (0) if they do not have valid ICV Certificate.

- All operating costs such as water / electricity, fuel, rental of property/equipment, telecommunication and government charges shall be considered in the Third Party spend.

For procurement costs from Vendors, the following shall be considered:

Type of Vendor	ICV%
Water / Electricity	80%
Fuel	ICV of the provider
Rent paid for Property/Land from individuals or Companies	80%
Telecom Providers	ICV of the provider
UAE Government charges – Directly paid to Government or through Government licensed entities	100%
Payment to Governmental Free Zone authorities in UAE	100%
Local Farmers in UAE	80%

e. While considering the vendors from Free Zone, that following shall be noted:

- “Goods Manufacturers” based in Free Zone will be considered as **“Within UAE”**
- “Service Providers” based in Free Zone will be considered as **“Outside UAE”**

f. The following shall not be included as part of total costs:

- Management fees (amounts paid to board of directors’ members)
- Sponsorship fees (amounts paid to sponsor of company in UAE)
- Governmental fines / penalties / taxes
- Charity amount/ expenses for Corporate Social Responsibility
- Loss on disposal of assets / foreign exchange
- Depreciation on excluded assets

g. Depreciation/ Amortization cost of assets can be considered in the table with 100% ICV

h. ICV Calculation

$$\frac{[\text{Goods/Services 1 x ICV\% of Vendor 1} + \text{Goods/Services 2 x ICV\% of Vendor 2} + \text{Goods/Services 3 x ICV\% of Vendor 3} + \dots + \text{Goods/Services n x ICV\% of Vendor n}] \text{ (Page -3)} + \text{Emirati cost (Page-5)} + 0.6 \times \text{Expat cost (Page-6)}}{\text{(Total Cost)}^\#} \times 0.5$$

Note – (#) – Total Costs include all cost excluding the items mentioned in (f) above and calculated from total costs in Page 3 (Third Party Spend), Page 5 (Emiratization) and Page 6 (Expat contribution)

5.5 Investment

Applicability– Applicable for all Suppliers

Page-4 Investment

An extract of the ICV Template is shown below:

INVESTMENT		
UAE Assets Net Book Value (AED) in previous Financial Year		
Owned Assets Description	Net Book Value (AED)	Location

a. UAE Assets Net Book Value (AED) in the previous Financial Year.

Supplier shall fill the UAE Assets Net Book Value (AED) in the previous Financial Year as per the Audited Financial Statements. This figure is used to calculate the Investment Growth bonus.

b. Owned Assets Description

Fixed Assets **owned** by Supplier as per the Audited Financial Statements along with the location (i.e., Inside UAE or Outside UAE) shall be reflected in Page – 4.

Fixed Assets will include the following categories:

- 1. Property, Plant and Equipment
- 2. Capital Work in Progress
- 3. Investment Property

Only intangible assets in the form of capitalized software costs shall be included. All other intangible assets shall be excluded.

Investments outside the UAE shall also be reflected appropriately in the ICV Template.

In case Supplier has revalued their Property, Plant and Equipment, the value of the Property, Plant and Equipment shall be reduced by the extent of the balance in the revaluation reserve at the Balance Sheet date.

Assets in the name of owner / related parties shall be excluded.

c. Net Book Value

For all the assets listed, Supplier shall provide the Net Book Value on the Balance Sheet date as per the Audited Financial Statements.

d. Location

Supplier shall select one of the locations from the value list – “Inside UAE” or “Outside UAE”.

e. ICV Calculation:

The ICV is calculated as follows:

$$\frac{\text{Net Book Value of Assets in UAE}}{\text{Net Book Value of Total Assets}} \times 0.1 \text{ (weightage 10\%)} \\ \text{plus}$$

15% on progressive basis from Asset NBV of AED 5 Million to AED 150 Million.

5.6 Emiratization

Applicability – Applicable for all Suppliers

**Page-5
Emiratization**

An extract of the ICV Template is shown below:

EMIRATIZATION					
Direct Staff	Number	ANNUAL Salary + Benefits (AED)	Donations to Sondoq Al Watan/ Government Universities (AED)	ANNUAL Training Expenditure (AED)	Total (AED)
Emiratis					

a. Supplier shall fill the following for Emiratis, who are on Supplier’s payroll:

1. Number - Average Number of Emirati employees on Supplier’s payroll (Wage Protection System –“WPS” where applicable) during the year as per Ministry of Human Resources and Emiratization (MOHRE) employees report and salary transfer documents.
2. Annual Salary + Benefits (AED) - Salary + Benefits as per the Audited Financial Statements (includes all amounts paid to direct Emirati staff including salaries, allowances and other benefits). Only salary and benefits of those Emiratis who are included in the Wage Protection System (WPS) shall be considered in ICV. Benefit for Emiratis working abroad will also be considered as Emiratization Benefit.
3. Donations to Sondoq Al Watan / Ma’an / Government Universities (AED) - Donations made to 1) Sondoq Al Watan or 2) Authority of Social Contribution - Ma’an (donations dedicated for Emiratis talent development) or 3) any of the Government Universities/Education Institutes listed below:
 - UAE University
 - Higher Colleges of Technology
 - Zayed University
 - Khalifa University
 - Petroleum Institute
 - New York University AD

One Third (1/3) of the donations made to these universities will be eligible for the benefit in Emiratization. Remaining portion will not be included in the total

cost and will be treated as reconciliation cost to the audited financial statements. Donations to any other entities or universities will be excluded from the ICV calculation.

4. Annual Training Expenditure (AED) - Training Expenditure (includes spend by Supplier on external training provided to direct Emirati staff. Cost incurred on internal training shall not be included). External Training Costs incurred overseas will also be eligible for the benefit. Only expenditure included in the Audited Financial Statements shall be considered for ICV.

b. The salary of Emirati owners of the company (as per ownership in the license) paid through the Wage Protection System (WPS) can be included; however, it shall be capped at a total of AED 200,000 per owner per month. Bonuses or other benefits paid to the owners shall be excluded from the calculation.

c. Free Zone companies that are not registered in the Wage Protection System (WPS) shall provide an official employee list from the relevant Free Zone authority in order to have the number and salary benefits considered in the calculation.

d. ICV Calculation:

With regards to Annual Salary, benefits & training for total Emirati employees, the ICV is calculated as follows:

Up to 200K AED – 2%

and

Progressive up to 20 M AED – 15%

5.7 Expat Contribution

Applicability – Applicable for all Suppliers

Page-6
Expat Contribution

An extract of the ICV Template is shown below:

EXPATRIATES				
Direct Staff	Number	ANNUAL Salary + Benefits (AED)	ANNUAL Training Expenditure (AED)	Total (AED)
Expats				-

a. Supplier shall fill the following for Expats, who are on Supplier’s payroll:

1. Average Number of Expatriate employees on Supplier’s payroll (Wage Protection System - WPS where applicable) in UAE during the year as per Ministry of Human Resources and Emiratization (MOHRE) employees report and salary transfer documents.
2. Salary + Benefits (includes all benefits paid to direct Expatriate staff including salaries, allowances and other benefits) included in Audited Financial Statements. Only salary and benefits of those Expats who are included in the Wage Protection System (WPS) shall be considered in the ICV.
3. Training Expenditure (includes spend by Supplier on external training provided to direct Expatriate staff. Cost incurred on internal training shall not be included). Only expenditure included in Audited Financial Statements shall be considered for ICV.

b. Free Zone companies that are not registered in the Wage Protection System (WPS) shall provide an official employee list from the relevant Free Zone authority in order to have the number and salary benefits considered in the calculation.

c. ICV Calculation:

The ICV for Expat contribution is calculated as follows:

Number of Expats	ICV %
1 to 5	1 to 3%
6 to 50	4 to 6 %
51 to 200	7 to 9%
Above 200	10%

5.8 Revenue

Applicability – Applicable for all Suppliers

Page-7
Revenue

An extract of the ICV Template is shown below:

REVENUE		
S.No.	Revenue in last financial year	AED
1	From UAE Customers	
2	From Outside UAE Customers	
a.	✓ <i>Re-Exports (export of goods without value addition)</i>	
b.	✓ <i>Exports excluding re-exports.</i>	
Total		-

- a. Supplier shall indicate the Revenue “from UAE Customers” and “from Outside UAE Customers” in AED.
- b. Revenue from Free Zone companies will be considered as “from UAE Customers”.
- c. With regards to “from Outside UAE Customers”, Supplier shall provide the breakdown as follows:
 1. Re-Exports – Revenue earned from re-exports i.e., when the imported goods are sold to outside UAE customers without any “value addition”.

2. Exports excluding Re-exports – Revenue earned from outside UAE customers after value addition within UAE by Supplier. Certificate of Origin must be available for all Goods considered to be Exports excluding Re-exports. Payment must be received by the Supplier from outside UAE to UAE bank account. Settlement of accounts between related parties shall not be included. Trading and commission earnings by agencies shall not be considered as revenue from outside UAE.

5.9 ICV Bonus

Applicability – Applicable for all Suppliers

Bonus (maximum of 5%)

Supplier's eligibility for bonus shall be calculated as follows:

a. Revenue from outside UAE

Only Supplier's legal entities who are based in UAE are eligible for this bonus:

$$\frac{\text{Total Annual Revenue from outside UAE customers excluding Re-exports}}{\text{Total Annual revenue (from inside + outside UAE)}} \times 5\%$$

Note- The revenue earned from outside UAE - without any value addition; shall not be considered in bonus.

b. Emirati Head count

Number of Emiratis who are enrolled in the WPS will be considered for bonus. It is calculated as follows:

$$\text{Number of Emiratis} / 100 \times 5\%$$

c. Investment Growth

Growth % in Net Book value of Assets (see section 5.5-Investment) in last two Financial Years (current Audited Financial Statements versus Audited Financial Statements of previous year) is included in bonus. The formula is as follows:

(Net Book Value of UAE Assets in current FS - Net Book value of UAE Assets in Audited Financial Statements of previous year)

X 5%

Net Book Value of UAE Assets in Audited Financial Statements of previous year

The total bonus from all components - (a) Revenue from outside UAE Bonus, (b) Emirati Headcount and (c) Investment Growth shall not exceed 5%.

5.10 Advanced Technology and Sustainability Bonus (Goods Manufacturers)

Applicability – Applicable only for Goods Manufacturers

Bonus (maximum of 6%)

An extract of the ICV Template (Page 8) is shown below:

Section 1 - Goods Manufacturers Only	
a. Industrial Technology Transformation Index (ITTI)	
Industrial Technology Transformation Index (ITTI) score	
b. ISO Environmental Standards Certification and Green Industries Labelling	
ISO 14001	
ISO 14046	
ISO 50001	
Green Industries Labelling	

Supplier's eligibility for bonus shall be calculated as follows:

a. Industrial Technology Transformation Index (ITTI)

The Advanced Technology and Sustainability Bonus is based on the Industrial Technology Transformation Index (ITTI) assessment that aims to measure Industry 4.0 and sustainability readiness in the manufacturing sector to drive sustainable technology (<https://itti.moiat.gov.ae>). Only valid ITTI Assessment reports issued by MoIAT will be considered for the bonus.

ITTI Score	ICV %
0% - 29.99%	0%
30% - 39.99%	3 %
40% - 59.99%	4%
60% and above	5%

b. ISO Environmental Standards Certification and Green Industries Labelling

Suppliers holding any of the following certificates/labels will be eligible for an additional total ICV of one percent (1%).

1. ISO (14001 or 14046 or 50001) issued by any licensed certifier in UAE.
2. Green Industries Label issued by Environment Agency - Abu Dhabi .

The total bonus from all components - (a) Industrial Technology Transformation Index (ITTI) (b) ISO Environmental Standards Certification and Green Industries Labelling shall not exceed 6%.

5.11 Sustainability Bonus (Service Providers)

Applicability – Applicable only for Service Providers

Bonus (maximum of 3%)

An extract of the ICV Template is shown below:

Section 2 - Service Providers Only	
a. Implementation of Sustainability Policies and Procedures	
Sustainability Strategy and Governance	
Material Circularity	
Water and Wastewater Management	
Emissions Management	
b. ISO Environmental Standards Certification	
ISO 14001	
ISO 14046	
ISO 50001	

Supplier's eligibility for bonus shall be calculated as follows:

a. Implementation of Sustainability Policies and Procedures

The Sustainability Bonus is based on the implementation of policies and procedures that are related to sustainable practices. Supplier shall demonstrate that policies and procedures have been developed, communicated, implemented, and monitored within their organization. The policies and procedures shall be implemented during the financial year of certification and must cover 1) Sustainability Strategy and Governance 2) Material Circularity 3) Water and Wastewater Management 4) Emissions Management.

Policy and Procedure Type	ICV %
Sustainability Strategy and Governance	0.5%
Material Circularity	0.5%

Water and Wastewater Management	0.5%
Emissions Management	0.5%

b. ISO Environmental Standards Certification

Suppliers holding any of the following ISO standards certificates will be eligible for an additional total ICV of one percent (1%).

1. ISO (14001 or 14046 or 50001) issued by any licensed certifier in UAE.

The total bonus from all components - (a) Implementation of Sustainability Policies and Procedures (b) ISO Environmental Standards Certification shall not exceed 3%.

➤ **ICV Template**

1. After filling in the template, Supplier shall verify all details and ensure alignment with Supplier’s Audited Financial Statements. It is recommended that Suppliers engage their Finance Department and other concerned staff to verify the figures.
2. In case of any queries, email can be sent to ICV@moiat.gov.ae.

➤ **ICV Certificate**

1. The ICV Certificate is issued by the Certifying Body through the ICV Platform and is based on the details submitted by the Supplier in the ICV Template. The ICV Template shall not be considered as the official ICV Certificate.
2. Supplier is responsible for reviewing the information submitted to the Certifying Body and details reflected on the system-generated ICV Certificate.

Legal entity requesting ICV Certificate



YES

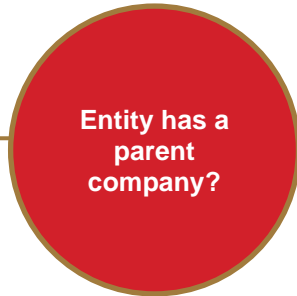
NO



Proceed with ICV certification

YES

NO



Cannot proceed with ICV certification

YES

NO



Segregate financial figures for legal entity

Cannot proceed with ICV certification

Proceed with ICV certification

