



صندوق أبوظبي للتقاعد  
Abu Dhabi Pension Fund

# Guide for Entities

Law No. (18) of 2023, Amending Law No. (2) of 2000  
regarding Civil Retirement Pensions and Benefits in  
the Emirate of Abu Dhabi and its Amendments.

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كافة الحقوق محفوظة لصندوق أبوظبي للتقاعد

## Definitions

In the context of this Guide, the following terms and expressions shall have the meanings assigned to them:

<b>Law</b>	Law No. (2) of 2000 regarding Civil Retirement Pensions and Benefits in the Emirate of Abu Dhabi and its amendments.
<b>Amending Law</b>	Law No. (18) of 2023, amending Law No. (2) of 2000 regarding Civil Retirement Pensions and Benefits in the Emirate of Abu Dhabi and its amendments.
<b>Fund</b>	Abu Dhabi Pension Fund.
<b>Active Member</b>	Any person to whom the provisions of this Law shall apply.
<b>New Active Member</b>	Active Members who, as of December 1, 2023, shall be subject to the provisions of Law and who do not have any previous registration with the Fund .
<b>In-service Active Member</b>	In-service Active Members who work currently for any entity, as well as those who started working for an entity and who have been previously with the Fund prior to December 1, 2023 .

## Introduction

The Abu Dhabi Pension Fund (ADPF) recognizes the critical role that Entities play in securing future generations' well-being. This role arises from their obligation to enforce the requirements and regulations stated in Law No. (2) of 2000 regarding Civil Retirement Pensions and Benefits in the Emirate of Abu Dhabi and its amendments.

Over the course of our long journey, we have realized the significance of fostering a strong collaborative relationship with all Entities. This entails establishing a foundation of trust and transparency between us through clarifying and explaining the law as well as ADPF's procedures by providing reliable sources of information that will facilitate your duties and ensure your compliance with the provisions of the Law.

We are pleased to introduce "Law No. (18) of 2023, amending Law No. (2) of 2000 regarding Civil Retirement Pensions and Benefits in the Emirate of Abu Dhabi and its amendments".: The Law aims to achieve the following goals:

- Encouraging Emirati citizens to remain in the workforce through length-of-service-increasing retirement benefits; thus, preventing early retirement.
- 'Equalising' benefits between the government and private sectors to attract and retain Emirati citizens in the private sector.
- Considering the social impact of the proposed system, including the impact of early retirement.
- Allowing women, the flexibility to leave and return to work while preserving the continuity of retirement benefits.
- Securing the future of next generations through enabling Abu Dhabi Pension Fund to achieve financial sustainability.

We recognize that changes to the pension system have had an impact on more than just Active Members; Entities now bear additional duty for ensuring compliance and securing the future of Active Members employed by the Entities. We also realize your important role in sharing knowledge and increasing awareness among the Active Members who work at your organizations, as well as in explaining the new amendments to assist Active Members in understanding the changes in their entirety.

We present to you this Guide to help you understand and apply the new changes the Civil Pension Law, by focusing on only the key amendments and explaining the impact of each of these amendments on both Active Members and employers/entities, who are subject to the provisions of the Law.

**It is worth noting that Law No. (2) of (2000) regarding Civil Retirement Pensions and Benefits in the Emirate of Abu Dhabi and its amendments shall remain the primary and legal reference for both Entities and Active Members.**



## Preservation of Acquired Rights

The Amending Law, along with its transitional provisions, ensured the rights that were previously acquired by all who were eligible for insurance benefits under the law prior to the enforcement of the amending Law. The following table details the key rights acquired by Active Members upon enforcement of the Amending Law's provisions:

<p><b>The Active Members, who meet the conditions for entitlement to retirement pension under the previous law, including those who shall have the right to request that a fraction of a year be rounded up to one year for purposes of entitlement to retirement pension.</b></p>	<p>Active Members, who met the retirement requirements under the previous retirement system, shall remain eligible for retirement under the revised pension system. Furthermore, they will be able to take advantage of the additional benefits provided by the revised system.</p> <p>The percentage of entitlement for the period preceding the Amending Law's enforcement shall be calculated, and the Active Member's percentage of entitlement for the period of service following the Amending Law's implementation shall be added, which may amount to 100% of the pensionable salary.</p>
<p><b>The retirement benefit entitled for a period exceeding twenty-five (25) years of service prior to the implementation of the Amending Law.</b></p>	<p>Active Members shall retain their right in the retirement benefit entitled for the period of service exceeding twenty-five(25) years prior to the implementation of the Amending Law's provisions. The retirement benefit calculation shall adhere to the regulations in effect prior to the Amending Law's implementation. Payment of the retirement benefit to Active Members shall be upon end of service of the Active Member.</p>

## Registration of Active Members

Employers must register Active Members with the Abu Dhabi Pension Fund (ADPF) within one month (30 days) as of the date of joining employment. If the employer fails to register the Active Members within this period, Employers shall pay an additional amount of AED 100 for each day of delay, on top of the additional amounts incurred in accordance with the provisions of the law for delay in paying the monthly contributions.

Entities are obligated to register all Emirati female women under the age of sixty (60) who are employed by the entities, in accordance with the Amending Law.

## Optional Contributions Scheme" at Abu Dhabi Pension Fund (ADPF)

The new changes provide the possibility of optional contributions to Abu Dhabi Pension Fund in accordance with the conditions and controls that Abu Dhabi Pension Fund will establish for each of the following categories:

- Female Active Members with children who need to leave work to care for her children.
- Emirati citizen, who wish to devote their entire time to postgraduate studies.

In coordination with the competent entities, ADPF will establish procedures and controls for this benefit over the coming period. All relevant conditions and information will be announced later.

## Retirement Contributions

The retirement contributions rates have been established for new Active Members who are registered with Abu Dhabi Pension Fund (ADPF) and their date of joining employment is as of December 1, 2023, and who have not previously registered with Abu Dhabi Pension Fund (ADPF). For In-service Active Members who are still working or who were previously registered with Abu Dhabi Pension Fund before December 1, 2023, retirement contributions rates will remain unchanged:

New Active Members	
Active Member's share (11%)	Employer's Share (15%)
In-service Active Members	
Active Member's share (5%)	Active Member's share (5%)

## Pensionable Salary (wage)

As of December 1, 2023, the salary, based on which retirement contributions are paid, will be as follows:

New Active Members	
<b>Active Members working in the government sector</b>	The basic salary plus cost-of-living allowance, social allowance for children, social allowance for UAE national, housing allowance, and Union (Etihad) allowance granted to the Active Members, up to a maximum of AED 150,000.
<b>Active Members working in the private sector</b>	The wage specified in the employment contract, up to a maximum of AED 150,000.

In-service Active Members	
<b>In-service Active Members working in the government sector</b>	The basic salary plus cost-of-living allowance, social allowance for children, social allowance for UAE national, housing allowance, and Union (Etihad) allowance granted to the Active Members, up to a maximum of AED 150,000.
<b>In-service Active Members working in the private sector</b>	The wage specified in the employment contract, up to a maximum of AED 150,000.

Acquired Rights of In-Service Active Members with a pensionable salary that exceeded the maximum limit of AED 150,000 will be preserved as follows when calculating the retirement pension and benefits:

- The period before the implementation of the Law is calculated on the basis of the previous (pensionable)salary and in accordance with the preceding provisions.
- The period after the implementation of the Law is calculated on the basis of a maximum (pensionable)salary of AED 150,000.

## Adding Previous Service Periods

**The following are the periods of service that Active Members may add for the calculation of their retirement pension or benefit:**

- Previous period of service in the federal government or in one of the entities, public establishments, banks or companies in which the federal government has shares in them or has previously contributed a percentage of the capital.
- Previous period of service in the government sector.
- Previous period of service in one of the local departments in any of the emirates of the United Arab Emirates or in any of the entities, public establishments, banks or companies in which the federal government has shares in them or has previously contributed a percentage of the capital.
- Period of military service in the United Arab Emirates.
- Period of national service.
- Previous period of service in the private sector in the United Arab Emirates.
- Previous period of service outside the United Arab Emirates, provided that the Active Member had the UAE citizenship during that period of service.
- Previous period of service in embassies, consulates and international organizations operating in the United Arab Emirates.
- Period of service in the United Arab Emirates prior to obtaining the UAE citizenship.
- Previous periods of service in any entity, as determined by the Executive Council based on a proposal made by the Council.



## Completion of Payment of Cost for Adding Previous Service after End of Service

**If the Active Member's term of service ends without completing the payment of cost for adding previous service periods, the added service period for which contributions are actually paid shall only be calculated on the basis of already paid amounts unless the Active Member requests to continue paying the contributions according to the following:**

- Paying the remaining cost for adding previous service periods and deducting such cost from the due retirement benefit or pension. In this case, the entire added service period shall be counted.
- Continuing to pay the remaining contributions for adding previous service after the end of service, even if the Active Member is not employed. In this case, the added service period for which contributions are actually paid shall only be counted in the event that the Active Member discontinues to pay the remaining contributions.

The mechanism for paying the cost of adding previous service periods, whether in one payment or in installments, shall be applied in accordance with the Abu Dhabi Pension Fund's applicable procedures.

Note: There has been no change to calculation of the cost for adding previous service period, and it will be calculated in accordance with the provisions of the current law for each month of the period to be included on the basis of (26%) of the pensionable salary on the date on which the request for adding previous service period is submitted.



## Submission of End-of-service Form

Employers must submit an end-of-service form to Abu Dhabi Pension Fund for each Active Member whose service has ended within thirty (30) days of the employee's end of service date. If the employer fails to submit this form to the Abu Dhabi Pension Fund within the specified time frame, they will be obliged to pay an additional AED 100 per day of delay.

## Conditions for Entitlement to Retirement Pension upon End of Service

Every Active Member who meets the conditions for entitlement to retirement pension before December 1, 2023, has the right to preserve their acquired right to entitlement to retirement pension, in addition to what the law stipulates for the subsequent period.

The following are the changes to the conditions and cases of eligibility to retirement pension:

### Firstly: In-service Active Members

#### 1. Completing the minimum years of service (25 years) and reaching the qualifying age for retirement

The first year of Implementation	Progression
25 years of service Reaching the age of 45	Age gradually increases by 6 months (0.5 years) every year until reaching 55 years old.

The below figure illustrates the gradual transition from the current system to the revised system for Active Members, whose term of service is not less than (25) years:



**An Illustrative Example 1:**

**Example: A 44-year-old Active Member who worked for (25) years prior to the Amending Law's enactment. When will he be eligible for a pension?**

Given that the Active Member fulfilled the conditions for entitlement to retirement pension prior to the enactment of the Amending Law, the Active Member will be entitled to pension under the Amending Law.

**An Illustrative Example 2:**

**A male Active Member whose term of service was (23) years prior to the Amending Law's enactment and whose age is (43). When will he be eligible for a pension?**

Year	2023	2024	2025	2026	2027
Qualifying age for retirement	45	45.5	46	46.5	47
Term of Service of the Active Member	23	24	25	26	27
Age of the Active Member	43	44	45	46	47

The Active Member completed the term of service requirement in 2025, but he did not meet the age requirement for a pension, so he continued to work until 2027.

**An Illustrative Example 3:**

**A Male Active Member whose term of service was (23) years prior to the Amending Law's enactment and whose age is (45). When will he be eligible for a pension?**

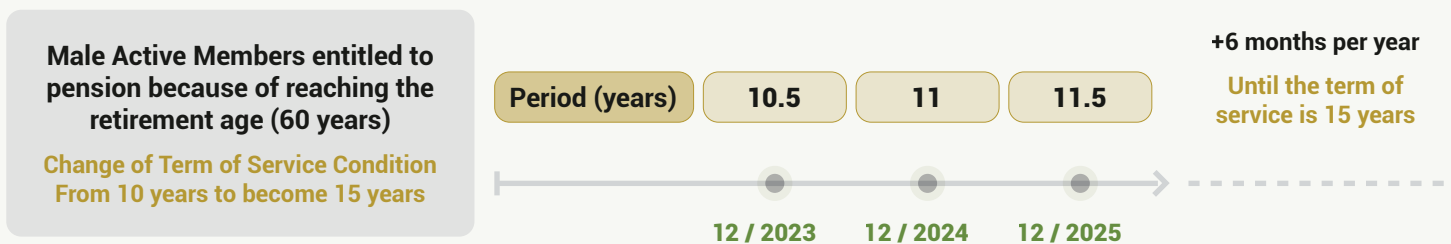
Year	2023	2024	2025
Qualifying age for retirement	45	45.5	46
Term of Service of the Active Member	23	24	25
Age of the Active Member	45	46	47

The Active Member has met the pension age requirement in 2023, but he must continue working until he meets the term of service requirement in 2025.

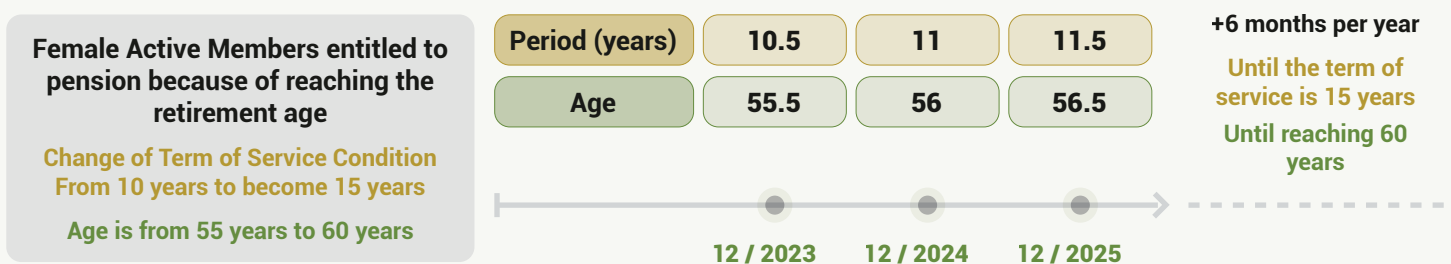
## 2. Reaching the retirement age (60 years old):

Category	The first year of implementation	Progression
Men	Reaching the age of 60 years, with a minimum of 10 years and a half of service	Years of service gradually increase by 6 months per year until completing 15 years of service
Women	Reaching the age of 55.5 years (fifty and a half years), with a minimum of 10 years and a half of service	Years of service gradually increase by 6 months for each year until completing 15 years of service. Age gradually increases by 6 months per year until reaching 60 years old.

The below figure illustrates the gradual transition from the current system to the revised system for Male Active Members due to reaching retirement age:



The below figure illustrates the gradual transition from the current system to the revised system for Female Active Members due to reaching retirement age:



**An Illustrative Example 1:**

**A Male Active Member whose term of service was (10) years prior to the Amending Law's enactment and whose age is (60). When will he be eligible for a pension?**

Given that the Male Active Member fulfilled the conditions for entitlement to retirement pension prior to the enactment of the Amending Law, He will be entitled to a retirement pension under the Amending Law.

**An Illustrative Example 2:**

**A Female Active Member whose term of service was (10) years prior to the Amending Law's enactment and whose age is (55). When will she be eligible for a pension?**

Given that the Female Active Member fulfilled the conditions for entitlement to retirement pension prior to the enactment of the Amending Law, she will be entitled to a retirement pension under the Amending Law.

**An Illustrative Example 3:**

**A Male Active Member whose term of service was (8) years prior to the Amending Law's enactment and whose age is (58). When will he be eligible for a pension?**

Year	2023	2024	2025	2026	2027	2028
Minimum Years of Service	10.5	11	11.5	12	12.5	13
Term of Service of the Active Member	8	9	10	11	12	13
Age of the Active Member	58	59	60	61	62	63

The Male Active Member reached the pension age requirement in 2025, but he did not meet the minimum term of service requirement for retirement, so he worked until 2028, to complete the required term of service.

**An Illustrative Example 4:**

**A Female Active Member whose term of service was (8) years prior to the Amending Law's enactment and whose age is (54). When will she be eligible for a pension?**

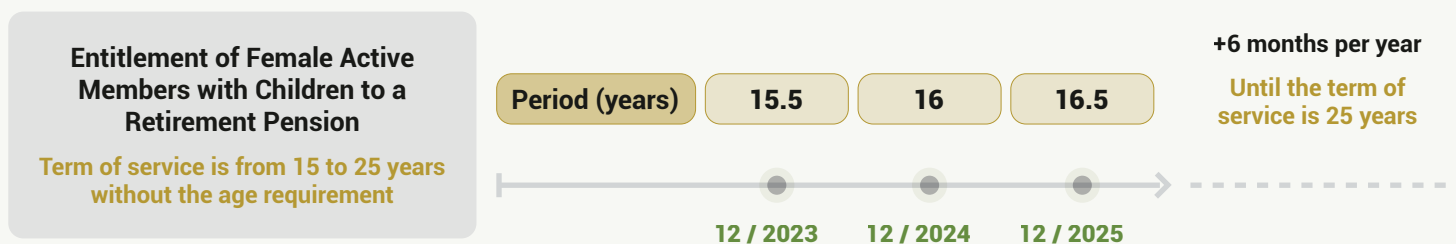
Year	2023	2024	2025	2026	2027	2028
Minimum Years of Service	10.5	11	11.5	12	12.5	13
Qualifying Age for early retirement	55.5	56	56.5	57	57.5	58
Term of Service of the Female Active Member	8	9	10	11	12	13
Age of the Female Active Member	54	55	56	57	58	59

The Female Active Member reached the pension age requirement in 2026, but she continued to work until 2028 to complete the required term of service.

### 3. Conditions for retirement of Women with Children

Retirement due to completion of years of service	
The first year	Progression
15 years and 6 months of service	Years of service gradually increase by 6 months per year until completing 25 years

The below figure illustrates the increase in the years of service for retirement entitlement for Women with children.



**An Illustrative Example 1:**

**A Female Active Member whose term of service was (18) years prior to the Amending Law's enactment. When will she be eligible for a pension?**

Given that the Female Active Member fulfilled the conditions for entitlement to retirement pension prior to the enactment of the Amending Law, she will be entitled to pension under the Amending Law.

**An Illustrative Example 2:**

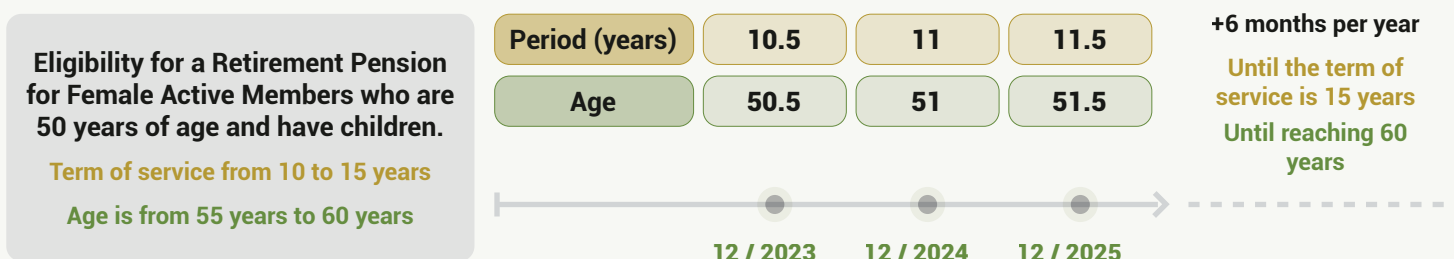
**A Female Active Member whose term of service was (13) years prior to the Amending Law's enactment. When will she be eligible for a pension?**

Year	2023	2024	2025	2026	2027	2028
Minimum Years of Service	15.5	16	16.5	17	17.5	18
Term of Service of Female the Active Member	13	14	15	16	17	18

The Female Active Member fulfilled the term of service conditions for entitlement to a retirement pension in 2028.

Retirement due to reaching retirement age	
The first year of implementation	Progression
Years of service: 10 and a half years Age: 50 and a half years	Years of service: Years of service gradually increase by 6 months per year until completing 15 years. Age: Age gradually increases by 6 months per year until reaching 60 years old.

An example illustrating the gradual transition from the current system to the new system.  
For woman with children (aged 50 years old)



### An Illustrative Example:

**A Female Active Member whose term of service was (8) years prior to the Amending Law's enactment and whose age is 49 years. When will she be eligible for a retirement pension?**

Year	2023	2024	2025	2026	2027	2028
Minimum Years of Service	10.5	11	11.5	12	12.5	13
Qualifying Age for early retirement	50.5	51	51.5	52	52.5	53
Term of Service of the Female Active Member	8	9	10	11	12	13
Age of the Female Active Member	49	50	51	52	53	54

The Female Active Member fulfilled the age requirement in 2026, but she continued to work until 2028 to fulfill the required term of service.

## Second: New Active Members

**Reaching Retirement Age of 60 years with 15 years of service**

**Contribution period of 25 years and age is 55 years**

The minimum age and duration of service required for women to qualify for the retirement pension have been reduced as follows:

Women with Children	Term of Service	Age
5 children	23	52
6 children	21	49
7 children	17.5	45



## Payment of Retirement Pension upon reaching the Pension Entitlement Age

Active Members who meet the minimum service period but fail to meet the age requirement for retirement pension shall have the option to request "Defer Non-Payment" with respect to retirement pension entitlement at the end of their service. Upon reaching the age at which they become eligible for retirement pension Active Members shall receive the retirement pension.

Active members who start new employment before attaining the pension entitlement age will have this period automatically added to their subsequent service.

## Calculation of the Retirement Pension

### Percentage of entitlement to retirement pension

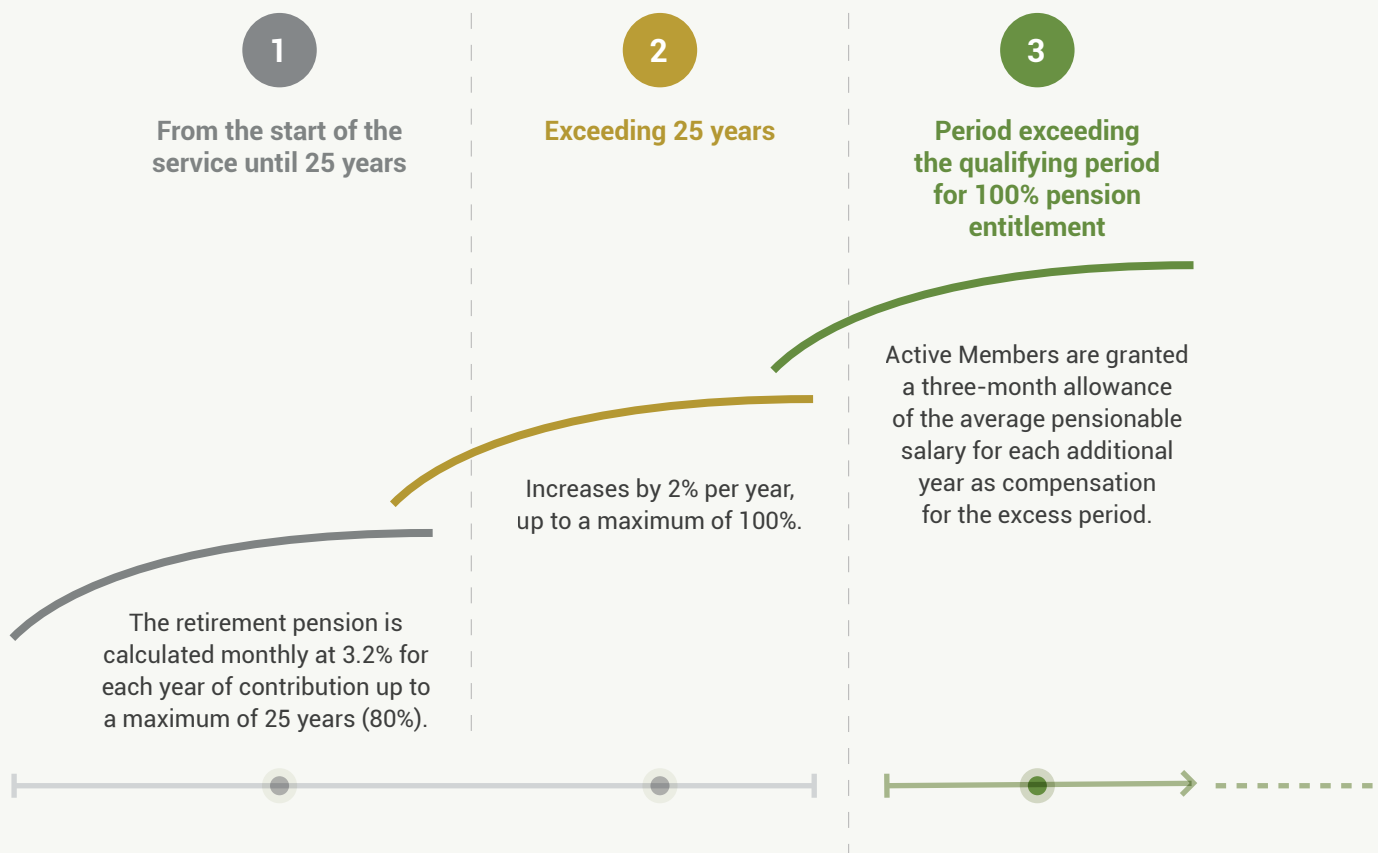
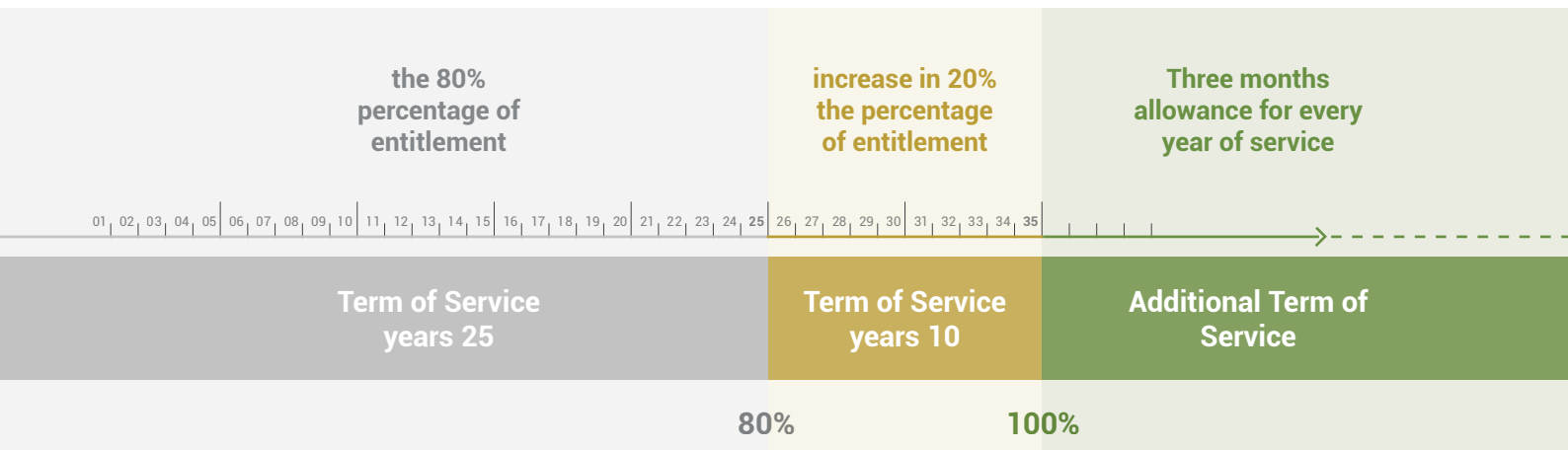
1. (3.2%) for each year of service period up to 25 years (80%).
2. (2%) every subsequent year, up to a maximum of (100%).

The retirement pension is calculated based on the percentage of entitlement for years of service multiplied by the average pensionable salary for the last six years of the Active Member's term of service, or the term of actual service if it is less than that.

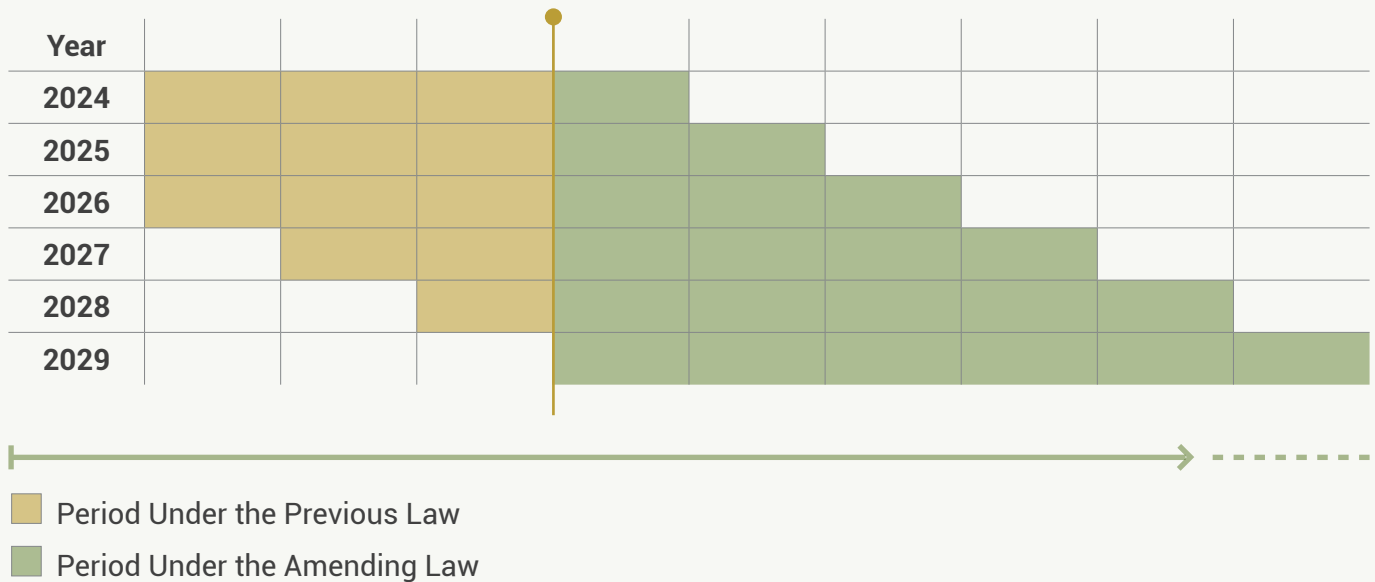
The retirement benefit for the period exceeding the period entitling to retirement pension by (100%) equals 3 months' salary for each additional year of service and is calculated based on the average pensionable salary for the last six years.



The below figure illustrates the percentage of entitlement to a retirement pension for each year of service, 3.2% for each year of service up to 25 years, then 2% for years 26 to 35.



### Calculation of average salary for the purpose of calculating retirement pensions in the government sector



### Calculation Method of the Average

$$\left[ \frac{\text{Basic salary average} + \text{Last pensionable Allowances before the Amending Law was enacted}}{\text{Period in months}} \times \text{Period in months} \right] + \left[ \frac{\text{Average of the Pensionable Salary}}{\text{Period in months}} \times \text{Period in months} \right]$$

Period in months
+
Period After the Amending Law is enacted

For example, if an Active Member had 21 years of service prior to the Amending Law and retired after 4 years of its implementation, the average would be calculated as follows:

$$\left[ \frac{(21,000 + 37,000) \times 24}{24 + 48} \right] + \left[ \frac{(65,000) \times 48}{72} \right] = 4,512,000$$

**62,670**

\* There is no difference in the average calculation for the private sector before and after the Amending Act was enacted.

Here is an example of an Active Member whose salary exceeded the maximum limit (AED 150 thousand) at the time the Amending Law was enacted.

He completed 20 years' service under the preceding law and his average pensionable salary before the Law came into force is AED 220 thousand Dirhams.

The example illustrates the retirement pension entitlements for the previous term of service and up to 25, 30 and 35 years after the enactment of the Amending Law.

Period Under the Preceding Law	Period Under the Amending Law		
	5 Years of Service under the Amending Law	10 Years of Service under the Amending Law	15 Years of Service under the Amending Law
20 Years of Service	25 Years of Service	30 Years of Service	35 Years of Service
Average Pensionable Salary Before the Amending Law was enacted *	Average Pensionable Salary	Average Pensionable Salary	Average Pensionable Salary
220,000 AED	150,000 AED	150,000 AED	150,000 AED
Percentage of Entitlement (20 x 3.2%) = 64%	Percentage of Entitlement (5 x 3.2%) = 16%	Percentage of Entitlement (5 x 2%) = 10%	Percentage of Entitlement (10 x 2%) = 20%
Retirement Pension Share 64% * 220,000 =	Retirement Pension Share 16% * 150,000 =	Retirement Pension Share 10% * 150,000 =	Retirement Pension Share 20% * 150,000 =
24,000 AED	15,000 AED	30,000 AED	
140,800 AED	164,800 AED	164,800 AED	164,800 AED
Retirement Pension Portion of the Acquired Rights	Retirement Pension after 25 years of service	Retirement Pension after 30 years of service	Retirement Pension after 35 years of service
140,800 AED	164,800 AED	179,800 AED	194,800 AED

\* Average Pensionable Salary (Before the Amending Law was enacted)

**Government Sector:** Average basic salary for the three years before the entry into force of the Amending Law, plus, last pensionable allowances before its enactment

**Private Sector:** Average basic pensionable salary for the last six years before the entry into force of the Amending Law.

Here is an example of an Active Member whose salary exceeded the maximum limit (AED 150 thousand) at the time the Amending Law was enacted.

He completed 25 years' service under the preceding law and his average pensionable salary before the Law came into force is AED 220 thousand Dirhams.

The example illustrates the retirement pension entitlements for the previous term of service and up to 27, 30 and 35 years after the enactment of the Amending Law.

Period Under the Preceding Law	Period Under the Amending Law		
	2 Years of Service under the Amending Law	5 Years of Service under the Amending Law	10 Years of Service under the Amending Law
25 Years of Service	27 Years of Service	30 Years of Service	35 Years of Service
Average Pensionable Salary Before the Amending Law was enacted *	Average Pensionable Salary	Average Pensionable Salary	Average Pensionable Salary
220,000 AED	150,000 AED	150,000 AED	150,000 AED
Percentage of Entitlement (25 x 3.2%) = 80%	Percentage of Entitlement (2 x 2%) = 4%	Percentage of Entitlement (5 x 2%) = 10%	Percentage of Entitlement (10 x 2%) = 10%
Retirement Pension Share 80% * 220,000 =	Retirement Pension Share 4% * 150,000 =	Retirement Pension Share 10% * 150,000 =	Retirement Pension Share 20% * 150,000 =
	6,000 AED	15,000 AED	30,000 AED
	+	+	+
	176,800 AED	176,800 AED	176,800 AED
Retirement Pension Portion of the Acquired Rights	Retirement Pension after 27 years of service	Retirement Pension after 30 years of service	Retirement Pension after 35 years of service
176,800 AED	182,800 AED	191,800 AED	206,800 AED

\* Average Pensionable Salary (Before the Amending Law was enacted)

**Government Sector:** Average basic salary for the three years before the entry into force of the Amending Law, plus, last pensionable allowances before its enactment

**Private Sector:** Average basic pensionable salary for the last six years before the entry into force of the Amending Law.

### Calculation of the Retirement Pension based on the Percentages of entitlements as per the Amending Law

Active Member completed 20 years' service under the preceding law and his average pensionable salary before the Law came into force was less than AED 150 thousand Dirhams, he continued to work and retired after 7 years as of the enforcement of the provisions of the Amending Law, the following will explain how retirement pension will be calculated after a term of service of 27 years.

#### Period Under the Preceding Law

20 Years of Service

Pensionable Salary  
**90,000 AED**

#### Period Under the Amending Law

7 Years of Service  
under the Amending Law

27 Years of Service

Average  
Pensionable Salary\*  
**AED 110,000**

Percentage of Entitlement

$(25 \times 3.2\%) = 80\%$

$(2 \times 2\%) = 4\%$

Total Percentage of Entitlement

**$80\% + 4\% = 84\%$**

Retirement Pension  
after 27 years of service

=

**$84\% \times 110,000$**

**92,400 AED**

\*

Average Pensionable Salary

Government and Private Sector: Average  
basic pensionable salary for the last six  
years.

## Calculation of End-of Service Benefit

Active Members whose term of service has ended and who are not entitled to a retirement pension, may submit an application for payment of end of service benefit. The calculation of the end-of-service benefit will be as follows, provided that the term of service is not less than one year:

Years of Service	The First 5 years	The following 5 years	More than 10 years
Value of the Benefit	One month and a half salary	Two months' salary	Three months' salary
	The retirement benefit is computed using the average salary for the last six years, or the term of actual service if less than that.		

**Example: An Active Member whose service has ended, and the term of service was 13 years, the Value of the benefit shall be as follows:**

$$(5 \text{ years} \times 1.5) + (5 \text{ years} \times 2) + (3 \text{ years} \times 3) = 26.5 \times \text{the average salary for the last six years}$$

## Receiving Both a Retirement Pension and a Salary

It is permissible to receive both a retirement pension and the salary from any entity subject to the provisions of the law in the following cases:

1. Reaching retirement age (60 years).
2. Completion of a term of service that is not less than 30 years..

Upon resuming employment, pensioners who receive both their retirement pension and salary from an entity under Abu Dhabi Pension Fund will not be registered with the fund unless they formally request registration. However, this condition is contingent upon the pensioners having not yet reached the age of retirement. In such situations, the employer is required to enroll the employee and make contributions on their behalf, in accordance with the regulations mandated by law and the Abu Dhabi Pension Fund's conditions and controls.

## Purchase to meet the qualifying term for pension eligibility (15 years) upon reaching retirement age.

- An Active Member must have a minimum service term of 5 years when submitting a purchase request.
- The purchased period must not exceed the period required to meet the minimum pension eligibility.
- To pay the purchase cost for each month at a rate of 26% of the pensionable salary at the time the request is submitted.
- To pay the full purchase cost in a single payment. Active Members may also seek an installment of the purchase cost from their pension, according to the provisions of the Law.

### Cost Calculation

Pensionable Salary		Calculation Percentage		Period required to be purchased in months		Cost
Last pensionable salary at the time the purchase request is submitted.	X	26%	X	Period required to be purchased in months	=	Total purchase cost

## An Illustrative Example

### Active Member Details

Age	60 years
Term of service	7 years
Pensionable Salary	30,000

### Term of service and age requirement for retirement at the time requested is submitted.

Required age	60 years
Required Term of Service	10.5 years

Number of years required for purchase. (7-10.5) = 3.5 year of service

### The purchase amount is calculated as follows:

Number of years to be purchased.				Last pensionable salary at the time the purchase request is submitted.		Purchase Cost.
3.5 years	X	26%	X	12	X	30,000
					=	327,600



## Purchase to meet the qualifying term for pension eligibility (25 years) upon reaching retirement age

- An Active Member must have a minimum service term of 20 years when submitting a purchase request.
- When making a purchase request, the applicant must meet the minimum pension eligibility age.
- The purchase is intended must be to fulfill the minimum of the eligible contribution period required for pension eligibility (25 years).
- To pay the purchase cost for each month at a rate of 26% of the pensionable salary at the time the request is submitted, according to the provisions of the Law.
- To pay the complete purchase cost in a single payment prior to the retirement pension being disbursed.
- An Active Member shall not be entitled to a retirement pension in accordance with the provisions of the law.

### Cost Calculation

Pensionable Salary	Calculation Percentage	Period required to be purchased in months	Cost
Last pensionable salary at the time the purchase request is submitted.	X 26%	X Period required to be purchased in months	= Total purchase cost

## An Illustrative Example

### Active Member Details

Age	46 years
Term of service	21 years
Pensionable Salary	50,000

### Term of service and age requirement for retirement at the time requested is submitted.

Required age	46 years
Required Term of Service	25 years

Number of years required for purchase. (25-21) = 4 years of service

### The purchase amount is calculated as follows:

Number of years to be purchased.					Last pensionable salary at the time the purchase request is submitted.		Purchase Cost.	
4 years	X	26%	X	12	X	50,000	=	624,000

## Purchase of pension eligibility for those who do not fulfill the age requirement or both the age and term of service requirements

- An Active Member shall not be eligible to a retirement pension in accordance with the provisions of the law.
- An Active Member must have a minimum service term of 20 years when submitting a purchase request.
- The age at the time of submitting the purchase request must not be less than five (5) years of the eligibility age for early retirement.
- To pay the monthly cost of purchasing the period completing the required period of (25) years at a rate of (26%) of the pensionable salary at the time the request is submitted; and to settle in a single installment the financial obligations arising from the age difference due to early retirement.
- The cost of purchasing "years" is an actuarial calculation made by the Fund solely to maintain correctness and accuracy, and it is based on inputs generated for each Active Member using data stored in the Fund.

## Application Process for "Pension Eligibility Purchase Requests"

### First: In-service Active Member :

- The purchase request should be submitted along with the End-of-Service request of the Active Member by the Entity following the steps below:
- Before submitting the request, Active Members must check that they meet the requirements to purchase the nominal term of service using the Retirement Calculator, which is available in the Fund's services list on the TAMM platform.
- Active Members must fill in and sign the form "Request for Purchase of Nominal Service" available at the "Download Forms" page at the Fund's website.
- Through the Fund's website, the designated employee at the Entity must attach the "Request for Purchase of Nominal Service" along with the Active Member's End-of-Service Request for retirement on the Fund's website.
- The Fund will compute the purchase cost and send the " Certificate of Acceptance " directly to Active Members, specifying the cost and the Fund's Bank Account.
- Within 30 days of the Certificate of Acceptance 's issuance date, the amount specified on the Certificate of Acceptance must be paid in full.

In the event that payment is not received within 30 days, the Fund will cancel the purchase request and close the actual period (defer nonpayment), and the purchase request must be resubmitted at any ADPF Customer Happiness Center.

## **Second: Active Members who are not in-service and their actual term of service has been closed "Defer non-payment":**

- Before submitting the request, Active Members must check that they meet the requirements to purchase the nominal term of service using the Retirement Calculator, which is available in the Fund's services list on the TAMM platform.
- Active Members must fill in and sign the form "Request for Purchase of Nominal Service" available at the "Download Forms" page at the Fund's website.
- The Fund will compute the purchase cost and send the " Certificate of Acceptance " directly to Active Members, specifying the cost and the Fund's Bank Account.
- Within 30 days of the Certificate of Acceptance 's issuance date, the amount specified on the Certificate of Acceptance must be paid in full.

In the event that payment is not received within 30 days, the Fund will cancel the purchase request and close the actual period (defer non-payment), and the purchase request must be resubmitted at any ADPF Customer Happiness Center.

## **Purchase of Retirement Pension Increase (extra pension)**

- It is permitted to purchase an increase to the pension set for the Pensioners in accordance with the rules of the law, as follows:
- The value of the pension at the time of purchase must not exceed the maximum limit specified by the Law.
- To pay any financial obligations resulting from the increase, as computed using the actuarial calculation model.
- To pay the whole purchase cost upfront before the disbursement of the retirement pension.
- The pension increase becomes effective on the date it is computed, and it is disbursed after the payment of the associated costs.

### Applying for the Retirement Pension Increase (extra pension)

- Pensioners can apply directly through the Fund's Customer Happiness Center.
- Pensioners must fill in and sign the "Retirement Pension Increase (extra pension) Form"
- The Fund will calculate the cost of the pension increase (extra pension) and send the "Certificate of Acceptance" directly to Active Members, specifying the cost and the Fund's Bank Account.
- Within 30 days of the Certificate of Acceptance's issuance date, the amount specified on the Certificate of Acceptance must be paid.

## Adding Pensionable Service

Pensioners who rejoin an entity and are already registered with the Fund may request that their previous term of service, for which they are eligible for a pension, be combined with their current service. All rights will be determined based on both periods at termination, subject to the following conditions.

- The period to be included must be a period for which the Pensioner was entitled to a pension from the Fund and must be included in a way that does not exceed the total period eligible for 100% pension entitlement at the time of application.
- To pay the associated costs for each month at a rate of 26% of the difference between the pensionable salary at the time the request is submitted, and the last pensionable salary earned upon retirement.
- Reimburse in full all pensions disbursed by the Fund.
- If the Active Member approves the request to add the previous pensionable service period and pays the value of the pensions disbursed, this is considered an acknowledgment and obligation to pay the rest of the cost, and the Active Member is not entitled to cancel or refund any amounts paid.
- To pay the whole purchase cost upfront before the disbursement of the retirement pension.
- The pension increase becomes effective on the date it is computed, and it is disbursed after the payment of the associated costs.

### Applying for Adding Pensionable Service

- Active Members can apply for "Add Pensionable Service Request" through the Fund's services list on the TAMM platform.
- The Fund calculates the cost of adding the pensionable service period and notifies the Active Member directly via message of the cost and instructions to follow, as well as the Fund's bank account number for lump-sum payment of all prior pensions disbursed by the Fund.



## Note

Active Members can choose to pay the cost of "Adding Pensionable Service Periods" in a single payment or pay the remaining amount in instalments over a maximum duration of 120 months. If the certificate for the cost of pensionable service surpasses its validity period without completing the procedure to add earlier pensionable service, it would be considered invalid. Active Members must submit a fresh application. The related cost will be recalculated.

The Fund will recalculate the cost of Adding Pensionable Service and the Active Member will be requested to pay the difference due to the Fund in the event of any change in the pensionable salary on the date of submission of the request retroactively, whether due to promotion of the Active Member or for any other reason.

## Duties of Entities /Employers

Entities play an important role in sharing and transferring knowledge and awareness about the pension law to Active Members working for the entities, as well as providing information and guidance on the details of the law, which contributes significantly to achieving a comprehensive understanding of the changes.

**We appreciate your cooperation with us and urge you to do the following:**

- Conduct a comprehensive review of this Guide, the law, and all amendments in order to identify their implications for active members and entities.
- Raise the awareness of the Active Members and respond to all their inquiries related to payment of contributions, inclusion of service, and the acquired rights that have been preserved.
- Take into account the percentages of contributions specified in the law and shown in the guide when paying the retirement contributions payable to Abu Dhabi Pension Fund as of December 1, 2023, and amend your internal regulations accordingly.
- Register Active Members with Abu Dhabi Pension Fund within 30 days of joining work for you to avoid incurring additional amounts.
- Provide Abu Dhabi Pension Fund with an end-of-service form for the Active Members whose service has ended within 30 days as of the date of end of service to avoid incurring additional amounts.
- Instruct all of your employees to verify and/or update their contact details on the TAMM platform (Valid Personal Contact Information Number Mobile phone, personal e-mail) to ensure that Active Members are aware of their rights and responsibilities under the new amendments to the law, as well as the correctness and accuracy of their data recorded in the Fund.

## The Most Frequently Asked Questions (FAQ)

Scan the QR code to view the FAQs







Or click on the below link :

<https://www.pension.gov.ae/ar-ae/Pages/FAQ.aspx>

## Inquiries and Remarks

Abu Dhabi Retirement Fund is ready to answer your questions and concerns via the following channels of communication, and will offer the assistance and support required to put the law into effect:

	<b>Instant Chat</b>	Direct communication with Abu Dhabi Retirement Fund for services inquiries or assistance in resolving challenges.
	<b>Contact No.</b>	<b>02 / 4140131</b> For IT Technical Support
	<b>Call Centre</b>	For general inquiries
	<b>Technical Support (Help Desk)</b>	For technical malfunctions in the electronic portal services system