GOVERNMENT OF DUBAI

جمــارك دبي
DUBAI CUSTOMS

DUBAI CUSTOMS
SUSTAINABILITY
REPORT 2009

بوابة العبور إلى رخاء دبي
Gateway to Dubai's Prosperity

His Highness Sheikh Mohammed Bin Rashid Al Maktoum
Vice President, Prime Minister of U.A.E. and Ruler of Dubai

**"DO NOT SPEAK ABOUT YOUR ACHIEVEMENTS,
BUT LET YOUR ACHIEVEMENTS SPEAK ABOUT THEMSELVES".**

CONTENT

A WORD FROM OUR DIRECTOR GENERAL

I welcome all of you through the pages of the 2nd Sustainability Report in which we avail this great opportunity to introduce clear understanding of Dubai Customs social objectives interrelated with economy, community and environment. These aspects keep us focusing on committing ourselves to fulfilling these responsibilities towards achieving the strategy of our wise government and its forecasting plans.

Dubai Customs is not merely any government department that functioning on collecting duties and inspecting goods. The huge Dept is playing a vital economy, security, social, statistical and financial roles, all together, formulate its vision of being the leading Customs administration worldwide supporting the legitimate trade by protecting its community, enhancing economic development through compliance and facilitation.

Our Dept is running its business functionality by regulating movement of goods and merchandises flows for the welfare of business community. The security functionality is represented in preventing entry of goods that may cause harm and danger to health, economy and the community. The social functionality is represented in the combination of both community and environment aspects while rendering its different activities. Statistically, the Dept endeavors to accomplish business statistical reports and analysis which facilitate decisions- makers. Financially, the Dept is contributing in collecting Customs transactions clearance duties and fees.

Socially, we are focusing on implementing activities and initiatives which will in turn bring about benefits to the community as a whole. We do consider our social responsibilities forming part of both UN World Declaration of Human Rights and Fundamental ILO Convention. We also engage ourselves to maintain environment and physical sources while practicing activities, besides we do encourage our employees, customers and stakeholders to follow the best practices that will reduce pollution risks, recycling materials and necessarily use the recycled materials as much as possible. To serve achieving this objective, we make use of the Quality Management System inline with ISO 9001:2000, an Environmental Management System meeting - ISO 14001:2004 requirements and being certified to the Social Accountability standard SA 8000:2008.

These multi functions and responsibilities bound us to identify our strategic objectives which can be ahead foreseen into four aspects: playing a major role in economic and social development of Dubai, adopting and sharing best practices in relation to business process and system, providing best human and technical resources and increasing customers' satisfaction and loyalty.

Accomplishing these targets, we have identified a business long term strategy that will ensure sustainability of development and competing in contributing in the movement of social and economic development. This is besides, the short and medium term strategies that have also been identified for implementing best comprehensive quality standards management and excellence, focusing on efficiency of human and technology resources, uplifting with customers' and key stakeholders' Satisfaction and Loyalty. We are doing our best and making efforts for motivating and training individuals to the benefits of improving and maintaining best workplace, increasing awareness and leading them to follow best practices, besides, we support charitable humanitarian works and community initiatives.

Although we have achieved significant progress, we promise to continue work and efforts to achieve more measurable development and success at the level of all aspects. Sure by the Grace of God and will of our employees along with cooperation from the part of customers and stakeholders, we can reach the targets and ends.

Ahmad Butti Ahmad
Executive Chairman of Ports, Customs and Free Zones Corporation and Director General
of Dubai Customs

DUBAI CUSTOMS PROFILE

- ❧ **Our Vision, Mission, Core Values and Goals**

- ❧ **Our Business Strategy**

- ❧ **Our Opportunities and Risks**

DUBAI CUSTOMS PROFILE

Being 100 years old, Customs is no longer a mere collector of duty or inspector of cargo. Customs has assumed new responsibilities that are more significant from a traditional perspective. It has expanded to include the facilitation of trade while, at the same time, Customs continues to play a vital role in preventing the entry of goods detrimental to the United Arab Emirates society.

The role of Dubai Customs (hereinafter referred to as "DC" or "organization) now covers economic, social and statistical areas. Simply stated, Dubai Customs plays a pivotal role in border protection, trade administration and revenue collection.

- ❁ Economic Function: Regulate the flow of trade into the business sector.
- ❁ Financial Function: Collect revenue.
- ❁ Statistical Function: Generate trade statistics reports and analyses.
- ❁ Social Function: Regulate imports and exports into and out of Dubai.

Dubai Customs has a total work force of approximately 2,939 employees who are functionally divided into 6 Divisions. Yet, because of the recession we have had to take some hard decisions around the size and location of our workforce, as we strive constantly for operational excellence.

OUR VISION

To be the leading customs administrations in the world supporting legitimate trade.

OUR MISSION

Protecting the society and sustaining economic development through compliance and facilitation.

CORE VALUES

In the quest towards our strategic vision and the achievement of our mission, we shall always be guided by our shared values:

Customers and Stakeholders: Our ambassadors for our business.

Staff: Our real investments.

Supportiveness: A creative and distinguished work environment.

Forward Thinking: Creativity for improvement and development.

OUR STRATEGIC GOALS

- Play a major part in the economic & social development of Dubai
- Adopt & share best practice business processes and systems
- Provide best human and technological resources
- Improve customer satisfaction & loyalty

DUBAI CUSTOMS LONG TERM BUSINESS STRATEGY

OUR STRATEGY FOR SUSTAINING GROWTH & COMPETITION

Goal One	CSF's	KPI's	Department
Contribution to Dubai's social and economic development	Sound financial and budgeting status	• Percentage of Growth in income • Cost/Income ratio • Market share • Cash flow liquidity ratio • Improved name recognition • Number of new/revised services • Return on investment ratio	• Finance • Compliance • Operations • Communications • Processes • P&S-Risk Management • Legislation & Policies
	Improve quality culture & excellence	• Percentage of Employees in teams • Number of Cross- Functional processes • Design-to-deploy cycle time • Adopt six sigma methodology • Achieve ISO/OHSAS certification	• P&S-Quality • P&S-Performance • Processes
	Professional dev./ training and recruiting staff	• Percentage of Nationalization • Training hours per employee • Professional training hours/ employee	• HR
	Support local, regional and international trade	• Transactions & income per employee • Number of successful Partnerships • Level of relationships	• CR-Int'l Relations • CR-Client Partnerships • Legislation & Policies
	Support creating knowledge based economy	• Adopting R&D policy • Number of researchers • R&D budget • E-customs success rate	• IT • P&S-Quality • Processes

DUBAI CUSTOMS SHORT & MEDIUM TERMS BUSINESS STRATEGY

OUR 1-2 YEARS STRATEGY FOR OPERATIONAL IMPROVEMENT

Goal Two	CSF's	KPI's	Department
Adopt best practice (TQM & Excellence)	**Updated processes & policies (RMP*)**	❧ **Percentage of Processes which have been re-engineered** ❧ **Efficiency & productivity** ❧ **Percentage of errors and percentage of delays** ❧ **BSC usage for measurement** ❧ **Ranking among other departments, or score**	❧ **Processes** ❧ **Legislation & Policies** ❧ **P&S-Risk Management** ❧ **P&S-Quality** ❧ **P&S-Performance**
	Effective information & communication technology	❧ **E-government success rate** ❧ **E-customs success rate**	❧ **IT** ❧ **Processes** ❧ **Legislation & Policies** ❧ **Communications**
	Assured customer & society protection	❧ **Percentage of Goods ceased** ❧ **Number of Penalties due to non conformances**	❧ **Compliance** ❧ **Operations** ❧ **Legislation & Policies**
	Benchmarking	❧ **Percentage of Procedures benchmarked**	❧ **P&S-Quality** ❧ **CR- Int'l Relations** ❧ **Processes**
	Performance improvement	❧ **Percentage of Staff trained on DGEP**	❧ **P&S-Quality** ❧ **HR**
Goal Three	**CSF's**	**KPI's**	**Department**
Technology & Human resources	**Highly qualified staff**	❧ **Level of competencies and skills** ❧ **Recruitment cycle time** ❧ **Number of improvement activities** ❧ **Training hours per employee**	❧ **HR**
	Quality of working environment	❧ **Turn over ratio** ❧ **Satisfaction index** ❧ **Percentage of Staff recognized** ❧ **Percentage of Employees in teams**	❧ **P&S-Quality** ❧ **HR**
	Effective use of IT	❧ **Percentage of Downtime** ❧ **Project cycle time** ❧ **Percentage of Cost savings** ❧ **Percentage of employees trained on IT**	❧ **IT** ❧ **HR** ❧ **Compliance**
Goal Four	**CSF's**	**KPI's**	**Department**
Customers & stakeholders satisfaction & loyalty	**Integrated quality and excellence approach**	❧ **Level of relationships** ❧ **Number of joint improvement Initiatives** ❧ **Satisfaction index**	❧ **CR-Client Partnerships** ❧ **Processes** ❧ **Operations** ❧ **All other departments**

DUBAI CUSTOMS OPPORTUNITIES FOR SUSTAINABILITY:

- Willingness of the Government to provide the best electronic services to support us.
- The existence of an effective system of suggestions to improve and develop processes.
- The existence of an electronic system (Mirsal 2) to operate electronically, saving our clients time and effort, and making all the transaction easy and in time manner and at the same time being responsible towards environment by minimizing the use of paper. Not only that, but also reducing carbon emissions by encouraging the customers to finish all their transaction from home, and also reducing the use of printers.
- Many customs agreements that supports development and modernization.
- Taking advantage of the Dubai Government Excellence Program to identify the strengths and weaknesses, threats and opportunities for improvement of the Service.
- The adoption of benchmarking and best practices in customs business.
- The existence of a unified customs law that supports the aspirations of the evolution of Dubai Customs and raises the volume of trading.
- The possibility of activating cooperation with strategic partners, including signing MoUs and agreements to share experiences, knowledge and best practices.
- High demand for container storage yards by companies and on the other hand the lack of sufficient areas, especially in Dubai for this activity and the feasible chance for DC to adopt such an opportunity to develop a city to store the containers in one area. That will ease the storage process for our clients and at the same time will be a potential income resource for DC and Dubai Government. Moreover, will be a good opportunity for employment.

THE RISKS:

- The negative impact of the global economic on the financial resources, which may affect employees, customers and investors' satisfaction.
- The presence of better career opportunities in other governmental departments, leading to a large number of resignations and high turnover rate.
- There are six customs departments in the State seeking leadership, development and to attract investors and consequently compete externally with the neighboring emirates.
- Lack of continuous communication with the WCO and the WIPO, which leads to lack of trust in the organization.
- The instability of the neighboring countries, politically and militarily.
- Conflict of powers and duties with third-parties at the federal level
- Practicing internal audit activity externally by Dubai World, which, leads to a discrepancy in the work that affects customer satisfaction.

CUSTOMS NETWORK

Name of Custom Center	Type of Customer Center
Port Rashid	Headquarter - Seaport
Jebel Ali	Seaport
Tecom (under J Ali)	Seaport
Dubai Logistics	---
Cargo Village	Airport
Dubai Airport Freezone	Free zone
Passenger Airport (Terminals 1, 2 & 3)	Airport
Postal Customs	---
DMCC (Dubai Multi Commodities Center)	Airport
Dry Port Customs	land & Airport
Ducamz Customer Service Center	Free zone
Hatta Border Customs Center	Border/ Land Port
Dubai Textile City Customs	---
Dubai Creek Entry	Seaport
Hammriyah	Seaport
Coastal Customs Al Khor Customs Center	---
GPO	Air Port

Significant changes during the reporting period (2009) regarding the size and the structure of Dubai Customs included the following:

DC STRUCTURE VERSION 1.0 /2009

Post Clearance Audit department moved from Cargo Operations to Policy and Legislations.

DC STRUCTURE VERSION 2.0 /2009

Community Affairs Division introduced. HR division has been merged with Finance and Admin division. Corporate Affairs has been reorganized (Community Affairs, Customer Management division and intelligence and Special Task departments reporting to Corporate Affairs)

GOVERNANCE, COMMITMENT & MANAGEMENT SYSTEM

- ❀ **Our Governance Key Elements**

- ❀ **Our Organizational Structure**

- ❀ **Our Corporate Governance framework**

- ❀ **Our Governance Overview**

- ❀ **Committees Approach and Process**

- ❀ **Business Ethics and Code of conduct**

- ❀ **Managing the Risk**

- ❀ **Corporate Performance**

GOVERNANCE, COMMITMENT AND MANAGEMENT SYSTEM

DC's corporate governance consists of a set of framework, laws, policies, methodologies, procedures and practices controlling and affecting the way DC is directed and managed towards achieving its strategic goals and objectives without ignoring the interests of DC external and internal stakeholders.

A corporate governance manual has been developed to provide and outline the pillars of corporate governance at DC. It also defines DC's practices in those matters covered by the International, regional, federal and local Laws and standards, and leading practices. This manual is reviewed regularly by the DC Corporate Leadership Committee to ensure that Dubai Customs is following and applying the highest standards and leading practices

OBJECTIVES

To guarantee achieving the organization's strategic goals effectively through:

- Clarify and simplify decision making and addressing responsibilities processes through applying clear rules and policies.
- Improving service quality and related performance mentoring.
- Enhancing the quality of DC's internal systems, in order to reach best results.
- Applying fairness and transparency.

REFERENCES

- Dubai Strategic Plan 2007-2011
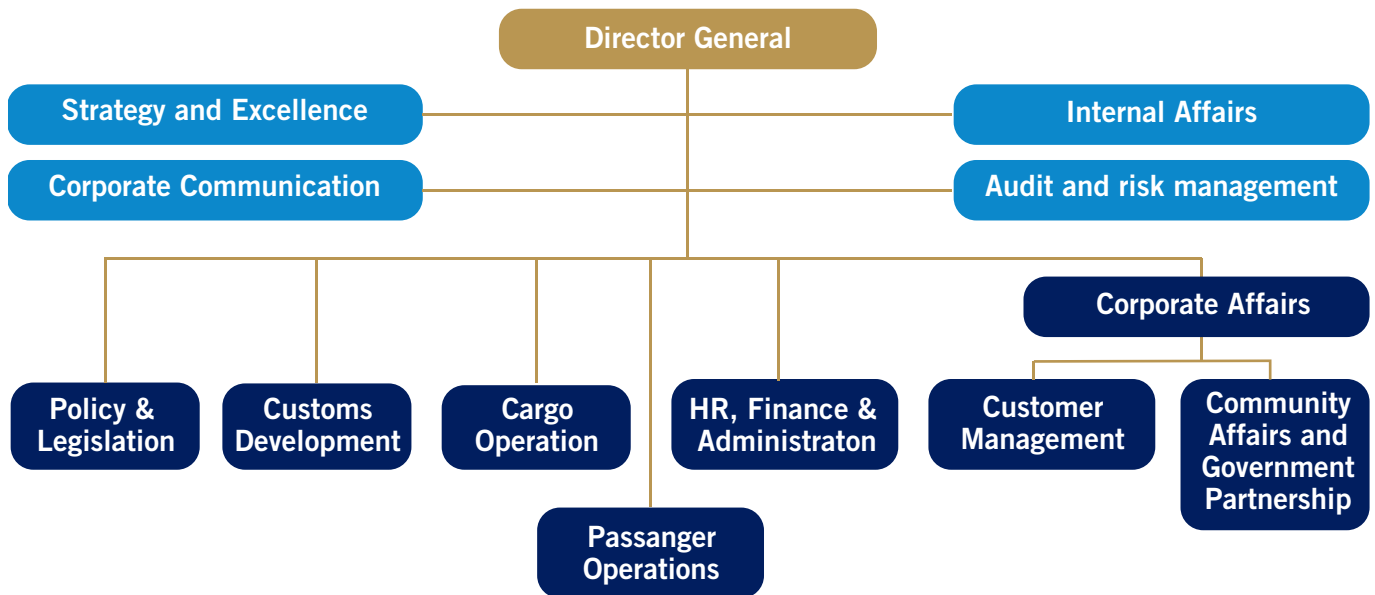- Dubai Excellency Program for Governmental Performance

BOUNDARIES

- Dubai Government Laws
- Customs Policies and Legislation
- United Association for Customs Laws
- Dubai Government HR Law

KEY ELEMENTS OF DUBAI CUSTOMS GOVERNANCE

DUBAI CUSTOMS ORGANIZATIONAL STRUCTURE

```
                        ┌──────────────────┐
                        │ Director General │
                        └──────────────────┘
┌─────────────────────────┐              ┌─────────────────────────┐
│ Strategy and Excellence │              │     Internal Affairs    │
└─────────────────────────┘              └─────────────────────────┘
┌─────────────────────────┐              ┌─────────────────────────┐
│  Corporate Communication│              │ Audit and risk management│
└─────────────────────────┘              └─────────────────────────┘

                                              ┌──────────────────┐
                                              │ Corporate Affairs│
                                              └──────────────────┘

┌───────────┐ ┌────────────┐ ┌──────────┐ ┌──────────────┐ ┌────────────┐ ┌────────────┐
│ Policy &  │ │  Customs   │ │  Cargo   │ │ HR, Finance &│ │  Customer  │ │ Community  │
│Legislation│ │Development │ │Operation │ │ Administraton│ │ Management │ │ Affairs and│
└───────────┘ └────────────┘ └──────────┘ └──────────────┘ └────────────┘ │ Government │
                                                                           │ Partnership│
                            ┌────────────┐                                 └────────────┘
                            │ Passanger  │
                            │ Operations │
                            └────────────┘
```

ROLE OF DIRECTOR GENERAL

The Common Customs Law of the GCC States draws the authorities and roles of DG; Dubai Customs has developed an authority matrix that states administration, legal and financial authorities of the DG. This authority matrix is subject to update every two years based on an administrative decision in cooperation with concerned parties within DC.

ROLE OF SENIOR EXECUTIVE DIRECTOR

The Senior Executive Director oversees, leads, guides, advices and ensures the effective functioning of the Customer Management Division, Community Affairs and Government Partnership Division, Intelligence Department and Special Task. He also introduces world class standards and best practices in Intelligence and Customer relationship areas in order to enhance and protect Dubai's population, society, assets and safety record.

ROLE OF EXECUTIVE DIRECTOR

Executive Director Customer Management - To lead Customer Management function and ensure Dubai Customs achieves its business objectives through effective service delivery

Executive Director - HR, Finance & Administration - To lead the Human Resources, Finance & Administration function and ensure that Dubai Customs achieves its business objectives through effective Financial and Administrative management

Executive Director - Policy & Legislation - To lead effective management of Policy & Legislation Division within DC in order to ensure valuation, tariff & origin policies are aligned to national and international requirements, while ensuring the legal requirements are fulfilled.

Executive Director – Customs Development - To oversee and ensure effective functioning of the Customs Development Department at Dubai Customs

Executive Director, Cargo Operations - To lead the effective management of cargo inspections and investigations within DC to ensure compliance to defined policies.

* All senior staff members are paid by the government of Dubai, as yet social and environmental performance does not influence any performance related remuneration.
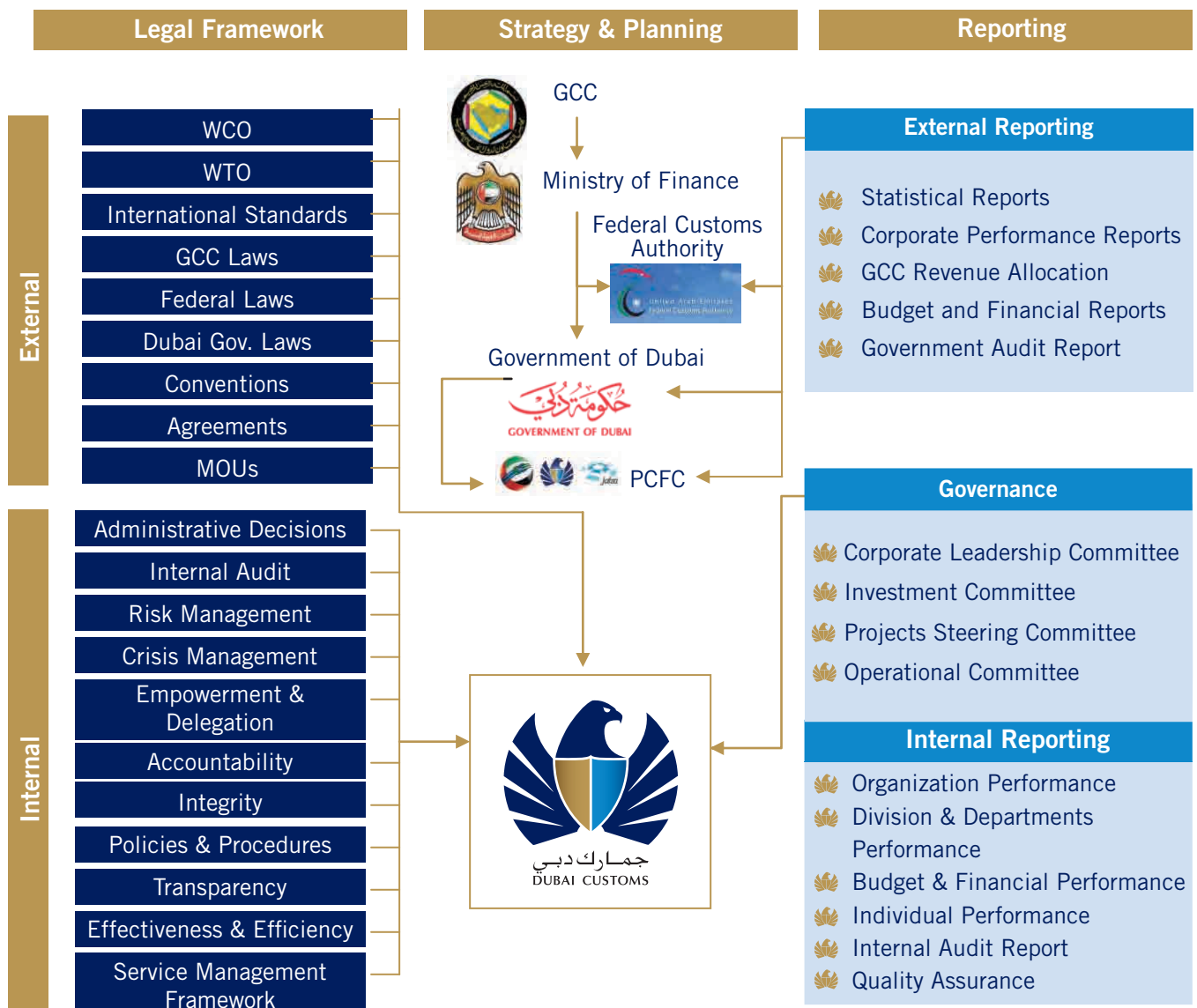
DUBAI CUSTOMS CORPORATE GOVERNANCE FRAMEWORK

OVERALL FRAMEWORK

DETAILED FRAMEWORK

Legal Framework	Strategy & Planning	Reporting

Legal Framework (External)

- WCO
- WTO
- International Standards
- GCC Laws
- Federal Laws
- Dubai Gov. Laws
- Conventions
- Agreements
- MOUs

Legal Framework (Internal)

- Administrative Decisions
- Internal Audit
- Risk Management
- Crisis Management
- Empowerment & Delegation
- Accountability
- Integrity
- Policies & Procedures
- Transparency
- Effectiveness & Efficiency
- Service Management Framework

Strategy & Planning

- GCC
- Ministry of Finance
- Federal Customs Authority
- Government of Dubai
- PCFC

External Reporting

- Statistical Reports
- Corporate Performance Reports
- GCC Revenue Allocation
- Budget and Financial Reports
- Government Audit Report

Governance

- Corporate Leadership Committee
- Investment Committee
- Projects Steering Committee
- Operational Committee

Internal Reporting

- Organization Performance
- Division & Departments Performance
- Budget & Financial Performance
- Individual Performance
- Internal Audit Report
- Quality Assurance

OVERVIEW

DC adopts a Multi Level Governance Framework that presents both External and Internal Governance.

EXTERNAL GOVERNANCE

It is the external forces such as international organizations, groups, and government bodies that provide a structure to accepted ethical standards and best practices and formal laws. Dubai Customs External Governance has its local, federal, regional and international levels. Each of those levels has its Legal Framework, Strategy and planning and Reporting.

	Governance Level	Legal Framework	Strategy & Planning	Reporting
International	WCO WTO	International Standards Conventions Agreements MOUs	WCO Strategic plan 2011 – 2010 WTO Ministerial Conference decisions	RILO Middle East
Regional	The Cooperation Council for Arab States of the Gulf GCC Customs Union	Common Customs Law of the GCC States. GCC Economic agreement 2002.	GCC Customs Union Procedures. GCC Revenue Allocation Mechanism.	Statement of Revealed customs duties payable by State for settlement amounts.
Federal	UAE Federal Government Ministry of Finance Federal Customs Authority	FCA establishment Federal Law (1 (2003) Common Customs Law of GCC States. Federal law of the Establishment of Emirates Post Holding (2007). Federal law on commodities subject to the control of import and export (2007) Federal law 11 (1981) for imposition of federal customs duty on tobacco Federal law 19 (2002) for raising of customs duties on goods & commodities imported from outside customs union of the GCC	UAE Federal Government Strategy 2010. Ministry of Finance strategic plan 2008 – 2010. Federal Customs Authority Strategy 2008 – 2010.	Statistical Reports
Local	Government of Dubai	Customs Law (1998). Establishment Law of Ports and Customs corporation No. 1 (2001). Law 1 (2001) for the Establishment of Ports, Customs and Free Zone Corporation (2007) Jebel Ali Port Law (1979) Law of storage area exempted from customs duties in Port Rashid (3) 1982 Precious stones trafficking Control law (93) Establishing Law of Emirates Post (2001).	Government of Dubai Strategy 2015	Corporate Performance Reports Budget & Financialw Report Government Audit Report

INTERNAL GOVERNANCE

It involves organization performance and staff, system management, use of finance and assets, description of new projects and programs areas and formation of policies, to create an organizational environment which is open, transparent, accountable and ethical.
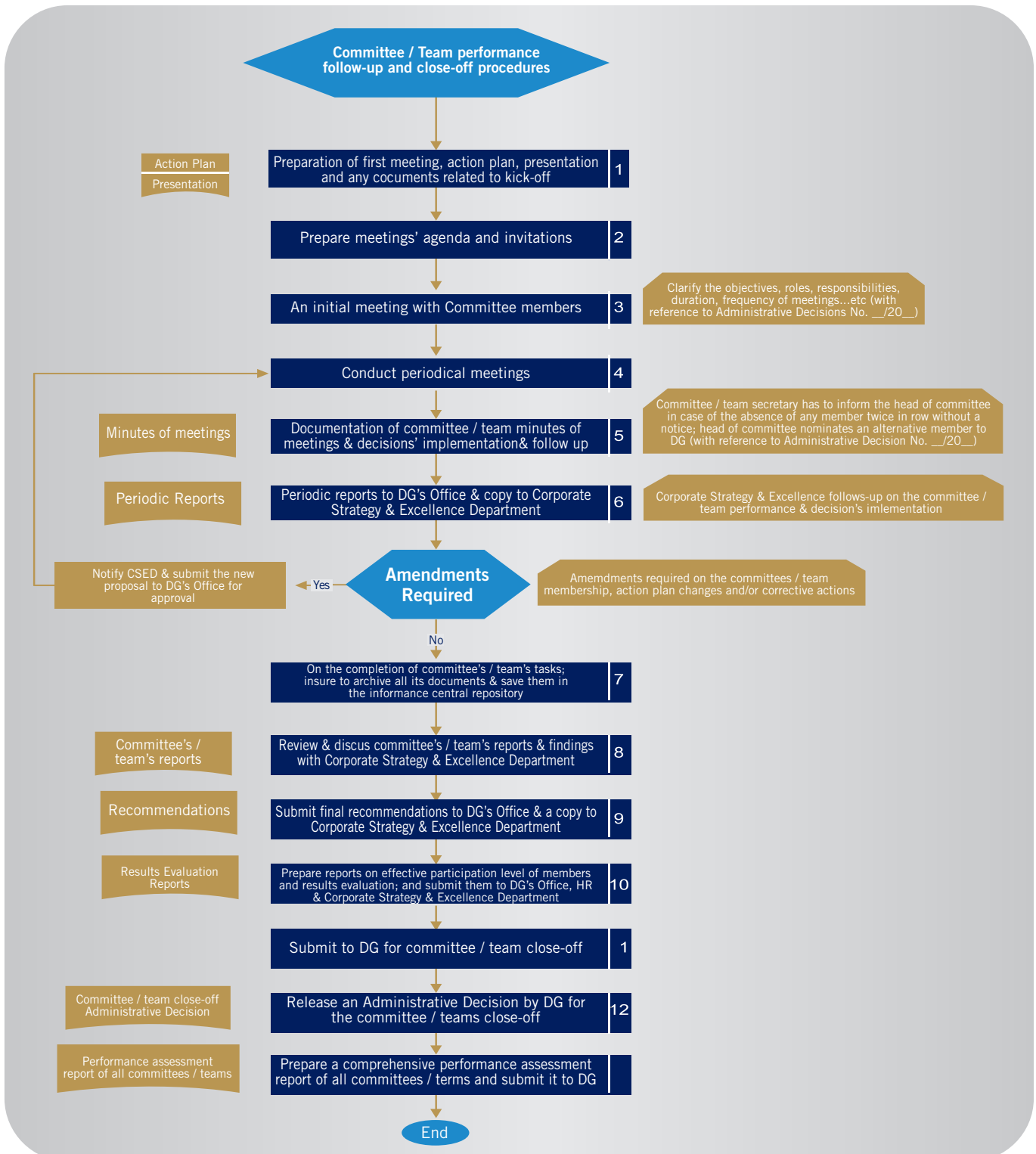
Governance Level	Legal Framework	Strategy & Planning	Reporting
Dubai Customs	Administrative Decisions Internal Audit Risk Management Crisis Management Empowerment & delegation Accountability Code of conduct Policies & procedures Transparency Effectiveness & Efficiency	Dubai Custom Strategy 2007 - 2011	Org. performance, division & departments' performance, budget & financial performance, indv. performance, internal audit report, quality assurance, PPM. Governance Committees: Corp. Leadership committee, Investment committee, projects steering committees, operational committee.

COMMITTEES, TEAMS BUILD & APPROACH

Dubai Customs adopts a standard approach in forming a committee or team that is based on an extensive study reflecting the benefits will be gained such as the added value, achievement of goals, creative solutions that cannot be addressed through the normal operations throughout knowledge transfer, exchange of experience and the ultimate use of available human resources.

COMMITTEES & TEAMS MANAGEMENT PROCESS

```
                    ┌─────────────────────────────────┐
                    │  Committee / Team performance   │
                    │ follow-up and close-off procedures │
                    └─────────────────────────────────┘
                                    │
  Action Plan      ┌──────────────────────────────────────────┐ 1
                   │ Preparation of first meeting, action plan, │
  Presentation     │ presentation and any cocuments related to kick-off │
                   └──────────────────────────────────────────┘
                                    │
                   ┌──────────────────────────────────────────┐ 2
                   │ Prepare meetings' agenda and invitations  │
                   └──────────────────────────────────────────┘
                                    │
                   ┌──────────────────────────────────────────┐ 3    Clarify the objectives, roles, responsibilities,
                   │ An initial meeting with Committee members │      duration, frequency of meetings...etc (with
                   └──────────────────────────────────────────┘      reference to Administrative Decisions No. __/20__)
                                    │
              ┌──→  ┌──────────────────────────────────────────┐ 4
              │     │ Conduct periodical meetings               │
              │     └──────────────────────────────────────────┘
              │                     │
  Minutes of  │     ┌──────────────────────────────────────────┐ 5   Committee / team secretary has to inform the head of committee
  meetings    │     │ Documentation of committee / team minutes of │   in case of the absence of any member twice in row without a
              │     │ meetings & decisions' implementation& follow up │  notice; head of committee nominates an alternative member to
              │     └──────────────────────────────────────────┘      DG (with reference to Administrative Decision No. __/20__)
              │                     │
  Periodic    │     ┌──────────────────────────────────────────┐ 6   Corporate Strategy & Excellence follows-up on the committee /
  Reports     │     │ Periodic reports to DG's Office & copy to Corporate │  team performance & decision's imlementation
              │     │ Strategy & Excellence Department          │
              │     └──────────────────────────────────────────┘
              │                     │
  Notify CSED & submit the new   ◄── Amendments ──►  Amemdments required on the committees / team
  proposal to DG's Office for   Yes  Required        membership, action plan changes and/or corrective actions
  approval
                                    │ No
                   ┌──────────────────────────────────────────┐ 7
                   │ On the completion of committee's / team's tasks; │
                   │ insure to archive all its documents & save them in │
                   │ the informance central repository         │
                   └──────────────────────────────────────────┘
                                    │
  Committee's /    ┌──────────────────────────────────────────┐ 8
  team's reports   │ Review & discus committee's / team's reports & findings │
                   │ with Corporate Strategy & Excellence Department │
                   └──────────────────────────────────────────┘
                                    │
  Recommendations  ┌──────────────────────────────────────────┐ 9
                   │ Submit final recommendations to DG's Office & a copy to │
                   │ Corporate Strategy & Excellence Department │
                   └──────────────────────────────────────────┘
                                    │
  Results Evaluation ┌────────────────────────────────────────┐ 10
  Reports          │ Prepare reports on effective participation level of members │
                   │ and results evaluation; and submit them to DG's Office, HR │
                   │ & Corporate Strategy & Excellence Department │
                   └──────────────────────────────────────────┘
                                    │
                   ┌──────────────────────────────────────────┐ 1
                   │ Submit to DG for committee / team close-off │
                   └──────────────────────────────────────────┘
                                    │
  Committee / team close-off ┌──────────────────────────────────┐ 12
  Administrative Decision    │ Release an Administrative Decision by DG for │
                             │ the committee / teams close-off   │
                             └──────────────────────────────────┘
                                    │
  Performance assessment ┌──────────────────────────────────────┐
  report of all committees / teams │ Prepare a comprehensive performance assessment │
                         │ report of all committees / terms and submit it to DG │
                         └──────────────────────────────────────┘
                                    │
                                 ( End )
```

DUBAI CUSTOMS TEAM / COMMITTEES LIST

Committee / Team	Headed by	Role Objective
Higher Supervision & Guidance Committee/DGEP	Director General	Prepare and supervise Customs Corporate Excellence Model and follow-up the Working Groups tasked with the criteria thereof.
IT Team	Executive Director Customs Development	Make decisions & actions relating to customer online service ensuring that the organizational results thereof are improved in meeting clients' needs.
Reform & Modernization Program	Executive Director Customs Development	Follow-up and implement RMP projects in line with the organizational strategy.
VAT Project Committee	Executive Director Corporate Support	Study & implement VAT regime create independent BU for management, providing system with required staff as per approved business plan.
VAT IT Review Board	Executive Director Corporate Support	Develop VAT regime.
VAT Program Review Board	Executive Director Corporate Support	Produce and follow-up VAT policy issues
Improvement & Development	Executive Director Planning & Strategy	Develop and improve customs functions and procedures based on DGEP criteria.
E-inspection Team	Inspection Officer Ops & Tech Support Dept.	Oversee e-inspection program. Control, development, training and follow-up.
Technical & Admin Follow-up	Senior Manager Customs Intelligence	Manage customs security and admin follow-up process.
Goods Examination Committee	Manager, Detained Items & Intervention	Examine container detained goods in case the declaring fails to attend.
Unified Coordination Team	Senior manager, Customs Intervention	Manage customs intervention operations, exchange views on IPR protection & combat commercial frauds & counterfeiting in liaison with representatives from local & Federal Government departments and chambers of commerce Association.
Customs security knowledge qualification and development team	Manager, Detained Items and Intervention Section	Qualify and develop customs centers operations staff in respect to customs security knowledge..
DPP Migration Team	Manager, Port Rashid customs operations	Develop integrated program for migrating clients to DPP.
Corporate Steering Committee	Director General	Develop strategic plans and programs and follow-up their implementation.
SRS Committee	Executive Director, HR	Study the suggestions received from internal and external customers, find adequate solutions, reward successful suggestions and reporting to DG.
Commodities Classification Team	Senior Manager Tariff and origin	Consider the disputed classification of commodities.
Common Customs Law Team	Executive Director legislations and Policies	Review the common customs law and make amendments/comments for onward submission to FCA and GCC Secretariat General.
Valuation Committee	Executive Director, New Customs centers Management	Settle disputes arising between Customs centers and the declarants over the value of imported goods in case of failure to resolve such disputes at the customs centers.
Customs Grievances Committee	Executive Director – Customer Management	Consider clients` grievances that decided by the Customs Cases Section.
Admin Offences Committee	Director Administration	Consider admin offences committed by customs staff and discuss disciplinary penalties to be imposed according to the provisions of the law.
New employees orientation Team	Training Manager	Design a special training program for the new employees.
Grievance and Complaints Committee	Executive Director Corporate Support	Discuss grievances & complaints submitted by customs staff according to provisions & powers of law & resolving them subject to business rules & regulations in force.
Conciliatory Settlement and Fines	Executive Director Sea Ports	Consider clients claims relating to customs transactions making the appropriate decisions.

BUSINESS ETHICS & CODE CONDUCT

We at Dubai Customs have a long-standing commitment to abide by the law wherever we operate and we are determined to sustain a high standard of business and personal ethics. We promoted a culture in which integrity and ethical conduct are recognized, respected and demonstrated by our employees. We developed the DC Code of Conduct to help our employees understand and maintain our high standard of business and personal ethics.

The Code, which is available to all employees through our company Intranet and Web site, sets forth the legal and ethical standards with which our employees are expected to comply. This requires our employees to report immediately any suspected violation of those standards. We promote the Code to all employees through a variety of means, which include various operating company-level communications, as well as printed materials. We also provide appropriate training to our employees on a wide range of compliance and ethics topics. The Code mainly concentrates on the following issues:

- Compliance with the Law
- Personal Responsibility
- Political Activity
- Relationship with the Public
- Gifts and Bribes
- Conflict of Interests
- External and Internal Communication

MANAGING THE RISK AT DUBAI CUSTOMS

OVERVIEW

Dubai Customs adopts a risk management methodology within the corporate culture, it is the responsibility of Risk Management Department to verify the implementation of risk management within DC; and ensure the application of risk management at all levels; and make risk management a fundamental concept adopted by all staff when making any decision.

RISK MANAGEMENT SCOPE

Risk Management Methodology is applied at a strategic level aligned with the strategic plan of DC by planning for corporate strategy, finance, operations and personnel risks. As well; specific strategies can be developed to deal with risks in other applications such as:

- Project management.
- Occupational health and safety.
- Environmental health and safety.
- Information security.
- Business continuity.
- Audit and commitment.
- Corruption and Business Ethics

RISK MANAGEMENT GOVERNANCE

Director General

Corporate Risks Report

Audit & Risk Management Department Risk Management Section

The Role of the committee to adopt
- Risk management Policy
- Tendencies of the Chamber to accept the risks
- Hidden dangers
- Authorities assess the level of a notification

Risk Management Leadership Committee

The Role of the development Section
- Strategic objectives for risk management
- Methodology and models of risk management
- Tendencies of the Chamber to accept the risks
- Hidden dangers
- Authorities assess the level of a notification

Risks Plan Reports

Risk Management Team

- HR, Finance & Administration Division
- Customer Management Division
- Cargo Operations Division
- Policy & LegislationDivision
- Community Affairs & Government Partnership Division
- Customs Development Division

Role of the Team
- Coordinate with Risk management Department and Customs divisions
- Work on implementing the risks plan
- Contribute in disseminating awareness of riks management

CORPORATE PERFORMANCE MANAGEMENT CYCLE

The integrated corporate performance management at Dubai Customs is a driving force behind cascading down the strategic plan into actionable, appropriate and accurate operational plans.

It is composed of two process groups, the "Direct" process group aligns the measurement and analysis of performance with the desired outcomes of the organization whereas the "Execute" process group ensures it reacts to the challenges identified through performance measurement.

A starting point in CPM is to determine the organization's desired position and to assess whether it is heading in this direction. This Direct process group involves setting strategic direction for the organization, defining measures that give an indication of the organization's performance. All that, will be with respect to this direction, the targeted corresponding performance of the organization, and establishing the procedures and mechanisms that will enable collection of measurement data against those latter measures from business.

The Execute process group covers not only the data collection activities, but also the analysis of data to identify performance trends, the refinement of the measurement procedures and targets, and the improvement of the business services and processes that are not achieving the desired performance levels.

The Execute process group feeds back into the initial definition of performance measures and their targets, and the initial setup of measurement systems in the direct process group. This allows a fine tuning and rectification of flawed measurement systems and a review of set targets, to ensure that the performance data gathered from the business environment is indicative of the actual situation, thus to provide a sound basis for performance analysis.
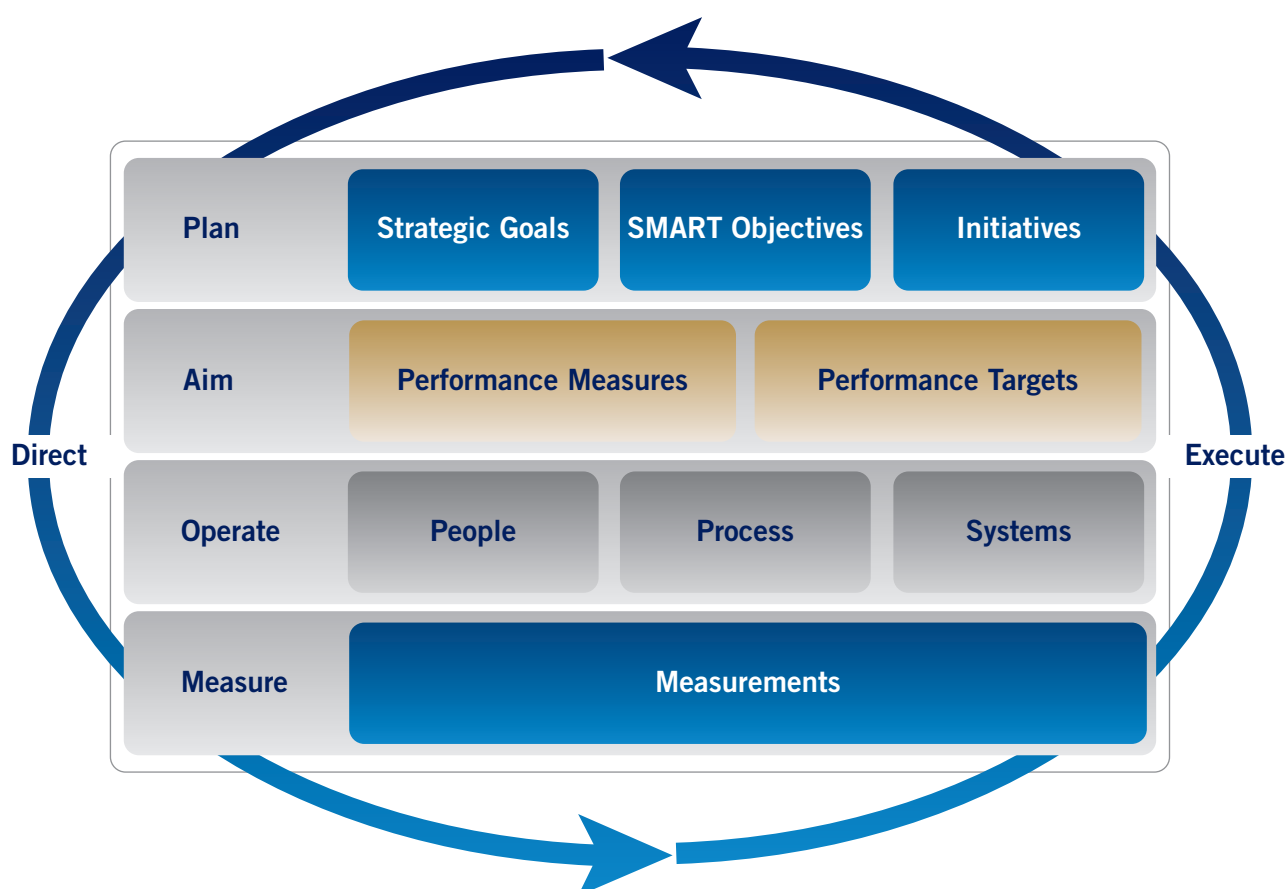
Measurement data collection process is an interactive one. It is done at an agreed interval in time, typically on a quarterly basis.

Collecting corporate performance data from the business environment is of significance value only if this data is thoroughly analyzed and dissected. Enabled by carefully designed tools, measurement analysis is used to identify trends in performance (moving away from target, fluctuations etc) and assess evolution of measurements with respect to the set targets. The analysis helps identify not only root causes for shortcomings in performance, but also flaws in the way measurements are taken and targets are set. The analysis results are compiled in a Performance Report, which includes trend analysis, root-cause analysis, segmentation analysis and performance recommendations. It is presented in a Performance Review meeting to the unit directors, who can provide further insight on causes of performance deviation or changes in trends, and decide on necessary corrective or preventive action plans where needed.

COMMITMENT TO CSR

- ❧ **Our CSR Objective, Vision, Mission, Commitments & Goals**

- ❧ **Our CSR Strategy**

- ❧ **Guiding Principles and Challenges**

- ❧ **CSR Scope, 3 years plan and KPIs**

- ❧ **Our Commitment to Stakeholders**

DUBAI CUSTOMS COMMITMENT TO CSR

As outlined in Dubai Customs' CSR Policy; Corporate Social Responsibility means going beyond our core function of law and order to carry out initiatives and activities for the society's benefit. Besides keeping our country safe and secure, we are constantly encouraged to help contribute further to our society. The very basis of Dubai Custom's CSR policy is to honor the UN Universal Declaration on Human Rights and the elementary ILO conventions and to encourage and assist our stakeholders to do the same.

As a step forward towards being fully committed to CSR; this year, we have introduced The CSR Department inline with our full integration as a part of the Community Affairs and Government Partnership Division. The department oversees Dubai Customs' compliance, risk management, environmental management, and social contribution initiatives.   It formulates related plans, provides support, and monitors progress.

PURPOSE AND OBJECTIVE

Our overall economic objective is to build a strong economy and a fair society, where there is opportunity and security for all. We are committed to delivering a strong economy based not just on high and stable levels of growth and employment but also on high standards of environmental care. DC is committed to conducting its affairs in a socially responsible manner and to maintaining the highest standards of business ethics. Our aim is to treat all the Company's Stakeholders fairly at all times and to respect diversity. We also endeavor to have a positive social impact by minimizing the environmental influence related to our operations, generating government income and working in partnership with local communities to promote sustainable welfare initiatives.

OUR CSR VISION

To integrate economic, social and environmental concern in our business operations and in interaction with our stakeholders on a voluntary basis in order to meet or exceed the ethical, legal, commercial, and public expectations that society has from us.

OUR CSR MISSION

With perfect sincerity and integrity, we will strive to fulfill our responsibilities: our economic responsibility, our social responsibility, and our environmental responsibility

COMMITMENTS & GOALS

COMMITMENTS	GOALS
Economic Commitment To develop our business in a sustainable way through using integrity and high ethical standards to guide the way we operate	Meeting our economic responsibility by managing a long-term sustainability of our business, through: - Implementing an innovative & effective management structures & methods - Striving to ensure low cost, high efficiency operations - Engaging in effective management and risk controls - Growing our business to add value and to take advantage of our key strengths - Creating new opportunities, improving our capabilities & lead internationally
Social Commitment To establishing our information network and programs to support those needs ensuring our business grows in harmony with society	Meeting our social responsibility by ensuring our technology is widely accessible and applied in ways that benefit society, through: - Further expanding our network coverage and infrastructure - Developing diverse set of services to satisfy our customers' - Create a secure and healthy environment for all stakeholders - Help those in need by supporting poverty alleviation and education - Contribute to the overall advancement of society and culture
Environmental Commitment To rationalize our energy use, and promote recycling. Also enhancing our departments, financial and individual performance in regard to environment.	Meeting our environmental responsibility by protecting the natural environment, through: - Supporting and operating a "green network", to reduce energy use and helps lower emissions - Managing waste, building an environmentally friendly organization - Conducting research and promoting recycling and reuse - Continue raising the public's awareness of environmental issues and encourage public participation in environmental activities

DUBAI CUSTOMS CSR STRATEGY

Our strategy as a responsible governmental organization is to convey ethical and sustainable performance. To attain our vision we committed ourselves to CSR values concentrating on four main pillars

Business Sustainability	Social Responsibility	Environmental Responsibility	Employees' work conditions

To reach our goals for sustainable responsible business we have planned a well-designed process to be implemented through the following steps

Self-Assessment and Bench Marking

Stakeholders' identification and Engagement

Setting Policies

Implementation

Reviewing and Verification

Communicating achievements with stakeholders through transparent yearly reports

SCOPE

DC's overall mission is to contribute to Dubai's Social and Economic development, adopt best practices, contribute to Technology and Human Resources and above all Customers and Stakeholders satisfaction and loyalty. Our involvement in CSR projects, initiatives and activities shall be on an ongoing basis, contribute to the creation of jobs and income, improvement of corporate governance, sound environmental and social per formance, and the development of local communities. We seek to ensure that our action plans contribute continually to sustainable development. We are committed to securing high standards of CSR as a fundamental aspect of sound business management and business practice.

OUR CSR KEY PERFORMANCE INDICATORS

Social contribution is a main objective for DC, and it is measured through a set of KPIs:

- ❧ The number of large-scale projects, small-scale activities and sponsorships;
- ❧ Serving different categories of beneficiaries;
- ❧ Serving large numbers of beneficiaries;
- ❧ The Community survey results: the survey investigates the society's satisfaction with availability and accessibility of information related to CSR, equality in offered services to the society, nature of relationship with other parties, participation in training and education, support of charity and health projects, support of cultural and sport activities, voluntary initiatives, health risks and pollution.

OUR 3 YEARS PLAN FOR MANAGING CSR

2009

- Create our CSR management system and relevant polices and procedures
- Develop a system to collect and measure CSR performance data in line with internationally recognized standards
- Create a communications platform to engage with our stakeholders aiming to improve CSR reporting

2010

- Improve our CSR management system. management team and relevant polices & procedures
- Improve the way we collect and measure CSR performance data and explore ways to integrate this into business performance reviews
- Participate in a broad range of domestic and global CSR events. increase our abililty to influence the development of CSR and build our reputation as a responsible business

2011

- Establish a world class CSR management system that is consistent systematic and closely integrated into business management process
- Make major improve ments to our CSR performance. achieving a world class CSR perfor mance level recognized standards
- Significantly improve our soft power and global influence

OUR BENCHMARKING TECHNIQUE

Our aim is to report on areas that will develop a formal description of CSR for our business, and to examine its likely applications in a multi and cross-cultural setting. CSR concepts and techniques developed in other sectors including public and private, will provide a benchmark for our organization. The challenge of adopting CSR benchmarking management techniques in Customs organizations in the UK and Far East opens up a door to help examine the extent of organizational culture influence in a cross-cultural setting, enabling the generated models of CSR to better handle and understand cultural dynamics.

GUIDING PRINCIPLES

We integrate business values & operations to meet the expectations of our stakeholders.

- We believe social, economic and environmental responsibilities are integral to business. And we aim to demonstrate them within our corporate policies.
- We take seriously all our stakeholders' feedbacks and try to maintain open dialogue to ensure that we fulfill the requirements outlined within this policy.
- We shall be open and honest in communicating our policies, strategies, targets, performance and governance to our stakeholders.
- DC will, where reasonable, make the necessary resources available to realize our corporate responsibilities. The responsibility for delivery lies with all employees.
- In relation to community involvement, management will assign special budget for charity each year and with the staff together to raise funds and aid the cause.

CHALLENGES

During 2009, our CSR activities were affected by the economic crisis. However, contrary to the traditional belief that hard economic conditions will negatively impact an organization's CSR efforts, DC believes such conditions will rather catalyze and strengthen our CSR initiatives and engage to utilize effects of the crises for the betterment of the society as a whole.

Examples may include encouraging, analyzing and implementing valuable suggestions from employees and customers which can contribute towards the improvement or sustainability of the economic situation is another initiative in this regard.

Also, during 2009, DC has been awarded the 2nd prize of the CSR Arabia Award for the large size organizations category. And our challenge for the year 2010 will be aiming for the 1st prize. Knowing that, The CSR Arabia Award, is one of the most recognized awards in the filed of CSR in the Middle East.

OUR COMMITMENT TO STAKEHOLDERS

Our stakeholders are those individuals or entities that affect, or can affect, our activities or decisions, or that are, or can be, affected by DC's actions and professional practice.

At Dubai Customs we attempt to ensure continuous communication with our stakeholders, identifying new channels of communication. Also, taking on board their expectations and defining the actions that should be taken in this regard.
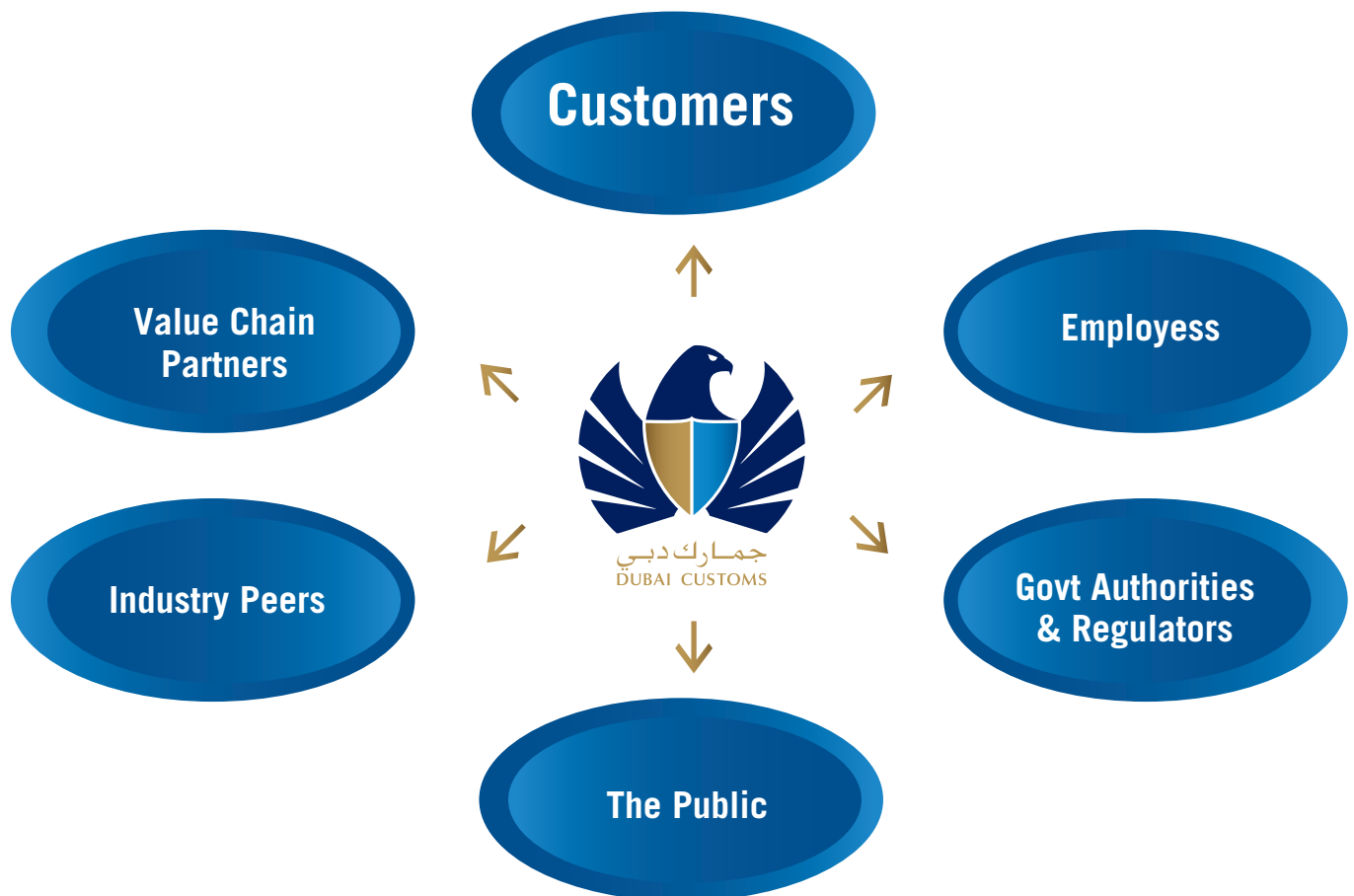
STAKEHOLDER ENGAGEMENT - PARTICIPATION MECHANISM

Stakeholder Type	Method of Engagement	Stakeholder Expectation
Customers	Customer Satisfaction Survey Customer Complaint Management Customer Service Center Customer Consultative Group	Providing high quality, innovative products and services to meet the needs of our customers
Employees	Employee Representative Committee Meeting Suggestions and Complaints HR Business Partner Grievances Committee	Provide equal employment and career development opportunities Recognize and work on employee health issues and create a safe working environment
Government Authorities	Regular Communication	Comply with relevant laws and regulations Reduce energy use & manage waste
Value Chain Partners	Training for Value Chain Partners Contract Bidding and Procurement Management Supplier Assessment and Management	Work with value chain partners to meet the needs of our customers Mutually beneficial growth
Industry Peers	Meetings Industry Discussion Forums	Build a fair competitive environment Promote sustained industry development
The Public	Community Engagement Philanthropic Activities	Build a harmonious society Actively engage in philanthropic activities Protect the environment

OUR ECONOMICAL PERFORMANCE

- ❀ **Key Financial Aggregates**
- ❀ **DC Financial Aggregates**
- ❀ **Localizaion Commitment**

good quality image required

OUR ECONOMICAL PERFORMANCE

We consider the potential impact of our operations on the sustainable economy of the local and broader communities in which we operate, and provide better services to the overall economy. We are committed to maintaining responsible business practices within DC to ensure the sustainability of business and benefits it provides for its staff and stakeholders. We invest our earnings in remunerating, training, developing the environment and workplace standards, as well as supporting various local community initiatives.

KEY FINANCIAL AGGREGATES

	YTD 07	YTD 08	YTD 09
	Figures in Dh 000's		
Net Operating Revenue	950,820	1,111,956	1,085,423
Staff Cost	408,710	540,375	623,290
Total Operating Cost	504,434	691,661	803,026
Community Contribution	-	3,276	4,194

Going along with the organization's strategic objectives and guided by the organizational excellence methodologies and governance. The financial management develops, review and update a package of strategies, methodologies and systems that ensure effective and efficient management of its financial resources. These strategies and systems emerged from the strategic direction "to achieve the efficient financial performance".

DC FINANCIAL STRATEGY AND ITS RESULTS

Dubai Customs prepared a clear financial strategy linked to our strategic plan 2007 - 2011 and applied the financial reports methodology broadly to all departments of the organizations. Through which, reports are submitted to several levels of leadership in the organization. DC study the financial implications of all projects and analyze alternatives to select the suitable ones, and the most prominent example of this with regard to increasing revenues methodology and rationalize expenditures, is that, the financial department implemented a plan that has been applied to all sectors of the organization in the years 2008 and 2009, which resulted in:

- Implementing the two phases of Fees & charges Project with the adoption of cost pricing policy for each service following the principle of Activities Based Costing and which has resulted the issuance of a customs declaration of increasing registration fees for customs data, which contributed to the increased customs revenues by about 82 million dirham.

- DC succeeded at the end of 2009 to take the Council of Ministers approval to unify the service fee at all levels of Federal Customs, which would increase the revenue for an estimated AED 127 million. Also, the consolidation of the service which would increase the contribution of DC to the emirate of Dubai by 2.4% for the year 2010 over the 26% contribution in 2009. Knowing that, standardization of service rates will increase the market share of DC, without adding the burden on its customers due to their access to quality and excellence of the services of electronic and standard provided, which offset some of the expected loss in the years ahead due to exemptions tariffs on certain goods and to access into trade agreements free.

- DC has managed the excess for expenses through utilizing it in the form of bank deposits, which resulted in 109,776,640 dirham profits in 2008 and 81,648,858 dirham in 2009, despite the falling interest rate from an average of 5.6% in 2008 to an average 3% in 2009 which indicates the effectiveness of the surplus management.

- In the light of the economic crisis, DC reviewed the operation process and its funds investment by taking the decision of transferring all its deposits and investments with the amount of AED 3.8 billion to the government of Dubai account in order to provide financial support to face the repercussions of the crisis

- DC invested a portion of its fund in building and renting warehouses, stores, restaurants which resulted in annual income of AED 10 million

- DC succeeded in collecting fees and fines of AED 68,813,091 for 2008 and 2009.

Measure	Main Indicator	Category	Results	2007	2008	2009	Trend 07-09
Revenue	Contribution of customs to government revenue	There were no specified targets by the government in previous years	Target	NA	NA	19%	↑
			Actual	25%	22%	26%	
Commitment to budget and rationalizing expenditure	Commitment to budget and the ability to adhere to current expenditures rationalization outline	For each customs center, department and Division Target	Target	95%	95%	95%	↑
			Actual	109%	79%	81%	
Surplus	(Surplus (billion dirham gross revenue expendi-) (ture	For each customs center, department and Division	Target	5.13	7.20	7.14	↑
			Actual	5.58	7.60	6.14	
Return on Investment	Return on Investment (Billion dirham)	For each type of investment/project	Target	143	89	78	↑
			Actual	126	110	84.7	

With regard to the rationalization of expenditures, Dubai Customs has done the following:

- Setting restrictions on any expenses that exceeds 25,000 dirham for operational expenses and AED 10,000 for capital expenses, thus, helps in increasing administrative control over exchange rates. And the reduction of any expenses not in line in with DC policy department with emphasizing on the existence of supporting documents.

- Through the analysis of expected income levels, Dubai Customs limit the increases in the numbers of the workforce.

- Developing a system of cash management and audit CMVS by the end of 2008.

- Providing paid service to some of our strategic partners such as Dubai Customs World, which resulted an annual income of (241.435) AED and the amount of (317.700) for the year 2008 and 2009, respectively, without incurring any additional costs, and under the Services Agreement SLA between the two

Despite the current economic challenges faced by the government, Dubai Customs has achieved positive financial results and proved its ability to achieve profitable businesses results. Also DC proved its ability to support the government financially in the face of economic crisis and continue to make profits and cover its expenses from only service fees without the need to use any of the sovereign funds resulting from the collection of customs duties by 5% as DC is proud that it doesn't have any obligations or any financial loans to any other organizations, which we consider one of the leading financial results.

LOCALIZATION COMMITMENT

A comprehensive plan for nationalization has been developed, covering the period between 2008 and 2011, which covers grades 4 to 16 and the occupational groups, that takes into account priorities of the organization and the labor market.

Hence, DC has participated in 4 recruitment exhibitions devoted for UAE nationals and communicated with the concerned governmental bodies to attract nationals, where DC has communicated with the Development and Employment of National Human Resources Association (Tanmia) and The E-employment website for UAE nationals (Ershad).

In Figures	2007	%	2008	%	2009	%
Number of UAE National Employees	1680	78.5%	1907	75.8%	2199	77.5%
Number of Expatriate Employees	458	21.5%	607	24.2%	635	22.5%

Also, DC participated in the development of universities graduates program, and the inclusion of 38 under graduate students in summer training programs in 2008 and 44 in 2009, which in turn helped in recruiting 2 of them as permanent DC staff.

DC has also developed 11 leaders and supervisors in 2008 and 2009 under the Leadership Development Program. Also, DC has implemented the Career Path Program for 50% of the national employees. And in the context of the Scholarship and Grants Program DC has sent 2 of its staff to complete their academic studies.

And in the framework of encouraging national citizens to pursue careers, DC has made several attempts of attraction in 2008 and 2009 such as, hiring 19 citizens in IT, 9 in the strategic and organizational excellence, 12 in Finance, 101 in the management of clients.

Dubai Customs also attempt, wherever possible to work with local suppliers from the UAE of goods and services for the betterment of the community. We select our suppliers based on their quality of products and services and best prices by following a well developed tendering procedures to assure transparency and efficiency

Year	Total (AED)	Local (AED)	%	Overseas (AED)	%
2008	47,412,031.13	47,075,770.15	99.29	336,260.98	0.71
2009	38,379,927.98	37,912,588.11	98.78	467,339.87	1.22

OUR ENVIRONMENTAL ACCOUNTABILITY

- **Our Approach**

OUR ENVIRONMENTAL ACCOUNTABILITY

Dubai Customs primary objective is to ensure provision of services that consistently meet customer requirements and expectations. Secondary objectives are to reduce the risk of pollution arising through our processes and commit to recycling material and using recycled materials wherever possible. To assist in achieving this objective we utilize a quality management system consistent with the requirements of ISO 9001:2000 which is continually monitored and reviewed.

DC has published its Environmental and Health policy (EHS) in 2009, integrating the requirements of ISO 14001:2004 standard and which take into consideration waste disposal describing all materials which are potentially waste and how they are to be managed. 80 non-conformities were identified in the year 2008 and 50 in the year 2009. Corrective actions were taken regarding all non-conformities and all of them were closed.

DC is exerting lots of efforts regarding its environmental impact by reducing energy and water consumption, recycling (1200 tons of papers were recycled from 2004 to 2009). Also, DC is launching campaigns to encourage employees to consider the environmental issues, like the "We Say, We Save" Campaign. Moreover, DC is working on developing a plan to reduce carbon emissions through innovative projects.

OUR APPROACH

ENERGY

We are aware of the importance of efficient and cost-effective energy solutions to reduce the overall impact on the environment. Therefore, we are always striving to reduce our energy usage. All equipment and lightings are switched off when not in use to save energy. All staff members are encouraged to save energy wherever possible. Yet, in the table below figures of consumption is increasing due to the recognizable expansion of the organization in terms of opening new branches to cover the whole emirate to facilitate the service for our customers and accordingly increasing our work force.

Account	2007	2008	2009
Water Charges	1,310 AED	1,108 AED	1,642 AED
Electricity Charges	2,759 AED	3,365 AED	4,670 AED

WASTE

DC attempts to reduce the creation of waste by adopting waste-saving initiatives such as accepting CVs largely electronically, and producing electronic invoices and documentation. As we aim to reduce paper consumption by 2% this will lead to environmental impact reduction.

We also ensure recycling of wastes such as paper. Recycling bins for paper, plastic and other items are distributed throughout DC premises to promote waste segregation.

Total of Waste Collection in DC owened proporties	Total Weight in Tons
Dry Port	5,423
Port Rashid Customs	383

ENVIRONMENTAL AWARENESS PROGRAM

Dubai Customs is committed to raise clients and employees' awareness of the need to protect the environment and how to partake in this important objective. E-mails are constantly forwarded to all employees and signs that highlight environmental issues are displayed all around the Department.

The awareness raising programs launched by Dubai Customs in relation to environmental issues aim to encourage adopting healthy practices at work, home and on the streets.

Dubai Customs Staff participating in the Clean Up UAE Campaign

OUR SOCIAL ACCOUNTABILITY

- Labor Practices and human Rights
- Health and Safety
- Our Customers and Service Responsibility
- Our Community

OUR SOCIAL ACCOUNTABILITY

LABOR PRACTICES AND HUMAN RIGHTS

At Dubai Customs we acknowledge that the foundation to our success is our employees. Each member of staff has a structured training and development program and personal development plan based on their individual requirements and aspirations. We mentor and encourage development and training, to include qualifications and other external accreditations. We offer a comprehensive flexible benefits scheme to all employees, which include private healthcare, reward schemes, childcare, pensions, scholarships for education and many others.

Dubai Customs believes that human resources are its main base, accordingly we decided to implement a comprehensive social accountability system for managing ethical workplace conditions and shall strive to continuously improve its social performance through conforming to all the requirements of SA 8000 Standards and complying with existing local and federal legislation and approved codes and practices.

DC reviews the Social Accountability policy on regular basis and shall ensure that it is understood, implemented and maintained at all levels in the organization and is readily available to the public. Moreover, DC provides awareness and training to its suppliers on the SA8000 and audits them against its standards.

Main Measure	Main Indi cator	Results		2007	2008	2009	Trend 07-08	Trend 08-09
Satisfaction Level	Turnover Average	Total Target		2.4%	2.4%	6.6%	↓	↑
		Total Actual		5.1%	8.5%	5.3%		
		Target	(locals)	1.8%	2.1%	4.5%	↓	↑
		Actual		4.0%	6.3%	5.2%		
		Target	(expats)	6.4%	3.6%	4.3%	↑	↑
		Actual		9.0%	6.3%	5.5%		
Motivation and paricipation	of employees contributed with % suggestions	Target		-	8.3%	13.1%	↑	↑
		Actual		6.8%	12.4%	25.6%		
	Average training hours / employee	Target		46	50	48	↓	↑
		Actual		36	17	56		
Achievements	Average results of training programs evaluation	Target		-	-	5.0	↑	↓
		Actual		4.9	5.0	4.7		
	Average training cost / employee in dirham	Target		1433	1668	2961	↑	↓
		Actual		1966	1253	1578		
Services provided for the human Resources	Percentage of employees plan completion	Target		-	-	85%	↓	↑
		Actual		60%	29%	78%		
	number of total suggestions resulted from internal communication	Target		-	7.8%	6.3%	↓	↑
		Actual		7.4%	5.2%	10.1%		
Nationalization	Percentage of local employees	Total Target		71%	75%	75%	←	←
		Total Actual		78%	78%	78%		
		Target	Higher Management	75%	70%	70%	←	↑
		Actual		68%	68%	73%		
		Target	Middle Management	80%	84%	60%	↓	↑
		Actual		79%	58%	58%		
		Target	Juniors	85%	90%	90%	↓	←
		Actual		85%	84%	84%		

WE CARE FOR OUR PEOPLE S OPINION

At Dubai Customs, we encourage our employees to speak loud and we committed ourselves to listen. That's why we have implemented the Suggestion, Complaint and Reward section which is responsible for gathering constructive ideas from Dubai Customs employees to increase productivity, cost-cutting measures and to improve working conditions. This section effectively deals with employees' complaints in coordination with the respective departments and help to boost the morale and loyalty respectively.

FORCED LABOR POLICY

Dubai customs neither practices nor supports the forced labor practices. All recruitments are carried out as per the Human Resources Management Law No. (27) 2006. Upon selection for employment, terms and conditions of the employment is communicated through the "offer of employment" prior to recruitment.

The purpose and objective of this policy is to ensure that no forced or compulsory Labor conditions exist within Dubai Customs, and to ensure the disclosure of all the terms and conditions related to recruitment, pre-employment or during employment.

CHILD AND YOUNG LABOR POLICY:

The purpose and objective of this policy is to ensure that child/young worker is neither engaged by Dubai Customs nor by any of its suppliers or subcontractors / sub-suppliers in any of the activities of Dubai Customs.

Dubai Customs neither uses nor supports the use of child labor/ young workers. Recruitments are carried out in accordance to the HR Management Law No. (27)2006. Article (39) of the Human Resources Management act provides for the minimum age for employment and it is currently 18 years. Hence, minimum recruitment age for any position at Dubai customs is 18 years and followed strictly.

DIVERSITY POLICY

This policy aims to ensure the fair treatment of all employees regardless of their gender, race, nationality, ethnic, age, or religious beliefs. We do this by adhering to all equal opportunities legislation and ensuring that we are fair, objective, transparent and free from discrimination in all of our systems, procedures, activities and decisions. The diversity policy is reviewed on a regular basis within the SA8000 standard implementation, as zero incidents of discrimination have been reported within the year 2009. Also, we ensure equal pay and benefits for all our employees. We aim to recruit, retain and develop employees based on merit, competence and potential.

DC encourages female employment and positions the high calibers and those who prove efficiency in managerial and executive levels. DC also, encourages females by providing them a female friendly workplace, establishing a nursery to develop a work life-balance.

In Figures	2007	2008	2009
Total number of permanent staff		2447	2835
Total number of temporary Staff		65	95
Females percentage of total workforce	19%	20.%	23 %
Males percentage of total workforce	81%	80%	77%

WORKFORCE TURNOVER

In 2009, 588 employees have joined Dubai Customs, while 159 has left the organization.

	Joiners by gender		Leavers by gender	
Males	400	68%	136	85.55
Females	188	32%	23	14.5%
	Joiners by age group		Leavers by age group	
18 To 30	448	76%	89	56%
30 To 60	140	24%	66	41.5%
Above 60	-	0%	4	2.5%
	Joiners by region		Leavers by region	
Africans	16	3%	-	-
Americans	5	1%	1	0.7%
Australians	2	0.4	-	-
Europeans	6	1.2%	4	3%
Far-Easterners	4	0.8	-	-
GCC	493	93.5%	124	94%
Iranians	1	0.1	3	2.3%

TRAINING & DEVELOPMENT FOR EMPLOYEES

It is the organization's objective to provide all employees with opportunities for personal development that lead to enhanced performance which in turn contributes to the achievement of the ultimate goals of the business. One of these goals is the rooting of a Leadership Culture where every person is motivated to reach their potential by every available means. Talent is identified and nurtured to produce high performing employees who will drive the fulfillment of our vision.

The opportunities for development for employees and the modes by which they are achieved, may take a variety of forms including:

- Internal Training
- Development Programs
- Continuing Education
- Learning through Empowerment and Accountability
- On the job training
- Coaching and Mentoring
- Workshops, seminars, conferences and similar events

In Figures	
Number of courses and workshops conducted	294
Total Number of Hours Training Provided to Employees during 2009	94305 hrs
Average training hours per employee	36 hrs
Number of training hours for top management staff	276
Number of training hours for middle management staff	8078
Number of training hours for rest of the staff	85951

In 2009, Training & Development Section organized several courses for top management based on their individual needs and to enhance their skills. Some courses were specified for certain departments such as IT, Risk & Strategy & Excellence Courses. Moreover, special courses were designed for second line employees to be prepared for next level as future leaders.

CHILDCARE CENTER

Dubai Customs Child Care Center was initiated as the first of its kind among all government organizations in Dubai for the children of working mothers in the Department inline with National Corporate of Child Care Center Standards project.

While DC working mothers are at work, the center is responsible for the development of their children by educating and caring for them. This will indirectly improve the satisfaction of female workforce resulting in better recruitment results, higher retention, lower absenteeism, higher productivity, greater loyalty and higher morale. This facility promotes Dubai Customs to be considered as an "employer of choice" in the society.

HEALTH AND SAFETY

DC operate an Occupational Health and Safety System and are accredited with OHSAS 18001 Health & Safety, ensuring that we identify and manage risk and consult with our employees on any issues, which may affect their health and safety. We are committed to looking after the health and safety of all employees, workers, customers and visitors. It is our policy to provide and maintain safe and healthy working conditions, equipment and systems of work for everyone and to provide such information, training and supervision as they need for this purpose. Everyone has a duty of care to each other and is responsible for maintaining a safe working environment.

DC's Health and Safety system is in conformity with international standards. The frequency of workplace injuries and the number of workdays lost is significantly low. As only one recordable accident involving a DC employee was noted in 2009, corrective actions we're followed and closed out and DC is targeting to reduce this figure for the year 2010. Knowing that, the working conditions at DC are to a great extent in compliance with existing laws and regulations. Moreover, DC is supposed to keep accidents log and lost-time record at all times in the context of applying the OHSAS standard which was obtained in 2008.

Private health insurance coverage is comprehensive and provided to all permanent employees and their families [with small premiums paid by the employee]. And it is included in the employment contract for all employees.

OUR KEY CHALLENGES

- The commitment of Dubai Customs employees to safety warnings and instructions. Health & Safety awareness sessions are being conducted periodically to raise awareness of employees towards safety warnings and instructions.

- Providing inspectors with appropriate safety equipments (PPEs), and technical safety officers to check the quality of PPEs which fit the inspectors' nature of work.

- Promote a culture of health and safety among employees. Recommendations have been made to develop a system of ince ntives and penalties to make the safety as way of life.

HEALTH AND SAFETY MEASURES AT DUBAI CUSTOMS

- Internal Audit by qualified health and safety auditors are being conducted twice a year to ensure compliance to OHSAS 18001 and identify areas for improvement.

- Quarterly safety inspections by EHS Officer and Safety Officer are made to check the equipments and technical procedures related to safety.

PROTECTING OUR CUSTOMERS

- Entry prevention to dangerous areas by displaying safety instructions and signs of warning in all areas clients have access to. In addition, security staff and inspectors are always around to avoid customers entering the inspection yards and construction areas.

- We take identification information from visitors entering the Customs premises. All receptionists are responsible for taking identification information in case of any emergency cases to contact them and to help them evacuate and take safety actions.

PROTECTING OUR EMPLOYEES

AT FIELD

- Distributing PPEs (Personal Protection Equipments) to all inspectors.
- Periodic maintenance of X-ray machine to eliminate any hazardous aspects.
- Medical inspection for inspectors, specifically those working on hazardous machines.

AT THE OFFICE

- Fire alarm system is available throughout the premises of the organization.
- Fire fighting equipments are placed in various areas and training is provided on how to use them.
- We conduct yearly fire drill and evacuation exercises
- Safety and emergency instructions are being displayed in visible areas

OUR CUSTOMERS AND SERVICE RESPONSIBILITY

Dubai Customs takes a leadership position and establishes working relationships with its clients to ensure the best possible level of service consistent with regulatory responsibilities. In this context, Dubai Customs has implemented the following:

COMPLAINTS HANDLING POLICY

Implementing the high standard practices in this particular domain has enabled DC to become the first government department in the Middle East and North Africa to ever win the ISO 10002:2004 certification for managing customer complaints. DC has also benefited from this certification in improving its customer complaints system and reduced the period of handling complaints from 7.4 days in the first quarter of 2008 to 1.5 days in the first and second quarter of 2009. It was able in fact to handle 100% of the received complaints and thus enhanced its customer satisfaction level to reach 81%.

E-SERVICES PROJECT

Adopting an electronic clearance transactions system to improve our services and facilitate the transactions of importers, cargo shipments, clearance agents and other customers and strengthen their efforts to reach a paperless work environment which is an inherent part of Dubai Customs Strategy 2007-2011.

E-PAYMENT PROJECT

Dubai Customs has introducing the e-Payment project to enable clients to process online payments to settle the value of duties, deposits and other transaction fees.

ADOPTION OF OPEN DOOR POLICY

Reference Article 7 of Dubai Government HR Law for 2006 relating to 'Personal Responsibility', and in line with the strategy and directives of Dubai Customs Management for 'delivering outstanding services and adopting a friendly attitude in dealing with the public', all staff are encouraged to embrace an Open Door Policy during official working hours, with the exemption of business/work related meetings.

More over, Dubai Customs Client Management has adopted the following practices related to customer satisfaction (PR5):

- Conducting a yearly customer satisfaction survey which resulted in a satisfaction of 77.2% in 2008 and reached 81% in 2009.
- Conduct a Mystery shopping study for all departments dealing with clients.
- ISO 10002:2004 related to customers complaints.
- ISO 10001:2007 related to client service charter.
- Conduct focus group meetings with clients.
- Issuing of Dubai Customs Consultative council.

TARJIM SERVICE:

Coping with the variety of cultures and the diverse linguistic backgrounds in the UAE and enhancing the quality of its services, Dubai Customs therefore, launched this initiative to fulfill clients' daily needs and to allow clients to submit complaints in nine languages; Spanish, French, Chinese, Persian, Indian, Urdu and Russian besides English and Arabic.

CLIENT SERVICE CHARTER

Dubai Customs has launched the Client Service Charter, to enhance the importance of providing improved and monitored level of services. The Charter was developed, and is being managed according to the guidelines provided by ISO 10001:2007, and according to the best international practices in this field.

Moreover, and as a step forward toward social responsibility, Dubai Customs has published the charter in Braille; both Arabic and English. As Dubai Customs is keen on reaching out to all society members including the blind or those who suffer from severe vision problems and extend its best services to them.

SIGN LANGUAGE TRAINING PROGRAM

Service Staff at Dubai Customs were given a basic grounding in sign language in a bid to improve customer relations.

OUR COMMUNITY

In addition to the role of Dubai Customs in maintaining security and integrity of the community from banned goods, we are committed to contributing to community service by organizing and participating in community-based initiatives covering the main pillars of social responsibility. Moreover, all employees at DC are encouraged to volunteer in community and social activities with the support of the highest management levels.

DC has 11 main indicator related to community which are measured constantly. Also, Dubai Customs is keen to always measure the impact of community-based initiatives carried out. The following table shows results of measuring the indicators.

Main Measure	Main Indicator	Results	2007	2008	2009	Trend		2008-2009	Corrective Actions
						07-08	08-09		
Number of Community Initatives	Number of social initiatives	Target	-	15	60	↑	↑	The decrease in community satisfaction level from 2007 to 2008	- The expansion of the corporate communication department in the end of 2008 - The Launching of the Community Affairs and Government Partnership Division in 2009
		Actual	6	18	59				
	Number of charitable and humanitarian initiatives	Target	-	2	14	↑	↑		
		Actual	1	5	13				
	Number of environmental initiatives	Target	-	2	4	↑	↑		
		Actual	0	1	8				
	Number of health initiatives	Target	-	2	2	↕	↑		
		Actual	0	0	11				
	Number of spiritual and entertainment initiatives	Target	-	2	10	↑	↑		
		Actual	1	6	10				
	Number of initiatives directed to females	Target	-	2	2	↕	↑		
		Actual	0	0	7				
	Number of initiatives directed to special needs	Target	-	4	4	↕	↑		
		Actual	2	2	3				
	Number of initiatives directed to students	Target	-	2	10	↑	↑		
		Actual	1	3	8				
Efficiency of spending allocated resources for community service	Percentage of achieving community targets	Target	-	85%	100%	↑	↑		
		Actual	-	99%	100%				
Community Initiatives impact	Number of targeted groups	Target	-	5	10	↑	↑		
		Actual	4	9	14				
	Number of targeted groups	Target	-	30000	100000	↑	↑		
		Actual	21650	37700	171915				

OUR APPROACH

Dubai Customs attempt to measure the community results annually through a survey for measuring the community opinion. The survey is classified on the basis of different categories such as nationalities and local geographic areas. Whereas, random samples are chosen taking into account the demographic representation.

As an outcome of the survey results, Dubai Customs has implemented a set of corrective actions to achieve the targeted level of community satisfaction and to improve its commitment toward society, as follows:

- Increasing percentage of advertisements for DC's summer training programs for students and support students through the provision of summer courses and offering vacancies for locals. And as a result, the percentage of community satisfaction regarding this indicator has increased from 83% in the year 2008 to 87% in the year 2009.

- Launching the Community Affairs and Government Partnership Division and developing a plan for hiring people with special needs with cooperation with specialized organization. This attempt was a step toward increasing the satisfaction percentage from 67% which was achieved in 2008 to reach 95% in 2009.

- Increase the awareness of DC core business and role in schools through workshops, publishing a book about cheating to raise the awareness about the protection of intellectual property rights and sponsoring career fairs, which result an increase in the community satisfaction from 81% in the year 2008 to be 90% in 2009.

SUSTAINABLE PROJECTS

Beside the community initiatives DC attempt to continuously offer to the community, Dubai Customs wanted to more concentrate on sustainable projects that is related to its core business and would benefit the community on a long term basis. A good model that DC has adopted was building homes for fishermen with basic infrastructure that can provide them with decent life and giving them awareness on health and hygiene issues.

BEFORE

AFTER

RELATIONSHIP TO GRI G3 GUIDELINES

RELATIONSHIP TO GRI G3 GUIDELINES

SUSTAINABILITY REPORT CONTENT

GRI SECTION	CONTENT	PAGE	DISCLOSURE LEVEL
PROFILE DISCLOSURES			
Strategy and Analysis			
1.1	Statement from the Director General	3,4	Full
1.2	Description of key impacts, risks, and opportunities.	8	Full
Organizational Profile			
2.1	Name of the organization	Cover	Full
2.2	Primary brands, products, and/or services	5	Full
2.3	Operational structure of the organization	10 to 12	Full
2.4	Location of organization s headquarters	9	Full
2.5	Number of countries where the organization operates	Not Applicable	-
2.6	Nature of ownership and legal form	3	Full
2.7	Markets served	9	Full
2.8	Scale of the reporting organization	5,25	Full
2.9	Significant changes during the reporting period	9	Full
2.10	Awards received in the reporting period	23	Full
Report Parameters			
3.1	Reporting period for information provided.	53	Full
3.2	Date of most recent previous report	53	Full
3.3	Reporting cycle	53	Full
3.4	Contact point for questions regarding the report or its contents.	53	Full
3.5	Process for defining report content.	53	Full
3.6	Boundary of the report	53	Full
3.7	State any specific limitations on the scope or boundary of the report	Not Applicable	-
3.8	Basis for reporting on joint ventures, subsidiaries, etc.	Not Applicable	-
3.9	Data measurement techniques and the bases of calculations	53	Full
3.10	Explanation of the effect of any re-statements of information provided in earlier reports	Not Applicable	-
3.11	Significant changes from previous reporting periods in the scope	Not Applicable	-
3.12	Table identifying the location of the Standard Disclosures in the report.	43 to 48	Full
3.13	Policy and current practice with regard to seeking external assurance for the report.	50, 53	Full

GRI SECTION	CONTENT	PAGE	DISCLOSURE LEVEL
Governance, Commitments, and Engagement			
4.1	Governance structure of the organization	10 to 15	Full
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	11	Full
4.3	State the number of members of the highest governance body that are independent and/or non executive members.	Not Applicable	-
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	10 to 15	Full
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives and the organization s performance	11	Full
4.6	Processes in place for the highest governance body to ensure conflicts of i nterest are avoided.	10 to 17	Full
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization s strategy on economic, environmental, and social topics.	10, 11	Full
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance	19 to 22	Full
4.9	Procedures of highest governance body for overseeing the organization s identification & management of economic, environmental & social performance	10 to 15	Full
4.10	Processes for evaluating the highest governance body s own performance, particularly with respect to economic, environmental, and social performance.	15-22	Full
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	16,17	Full
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	19	Full
4.13	Memberships in associations and/or national/international advocacy organizations	Not Applicable	-
4.14	List of stakeholder groups engaged by the organization.	24	Full
4.15	Basis for identification and selection of stakeholders with whom to engage.	23,24	Full
4.16	Approaches to stakeholder engagement	23,24	Full
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	23,24	Full
Management Approach			
DMA EC	Disclosure on Management Approach EC	25 to 28	Full
DMA EN	Disclosure on Management Approach EN	29, 30	Full
DMA LA	Disclosure on Management Approach LA	34 to 37	Full
DMA HR	Disclosure on Management Approach HR	31 to 33	Full
DMA SO	Disclosure on Management Approach SO	40 to 42	Full
DMA PR	Disclosure on Management Approach PR	3 to 42	Full

PERFORMANCE INDICATORS				
GRI REFERENCE	INDICATOR TYPE	INDICATOR	PAGE	DISCLOSURE LEVEL
ECONOMIC				
EC1	Core	Direct economic value generated & distributed, including revenues, operating costs, employee compensation, donations & other community investments, retained earnings, and payments to capital providers and governments.	25 to 27	Full
EC2	Core	Financial implications and other risks and opportunities for the organization s activities due to climate change.	Not Reported	-
EC3	Core	Coverage of the organization s defined benefit plan obligations.	Not Reported	-
EC4	Core	Significant financial assistance received from government.	Not Reported	-
EC5	Additional	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	Not Reported	-
EC6	Core	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	28	Full
EC7	Core	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	28	Full
EC8	Core	Development & impact of infrastructure investments and services provided primarily for public benefit	25, 40 to 42	Full
EC9	Additional	Understanding and describing significant indirect economic impacts, including the extent of impacts.	25 to 28	Partial
Environmental				
EN1	Core	Materials used by weight or volume.	Not Reported	-
EN2	Core	Percentage of materials used that are recycled input materials.	29, 30	Partial
EN3	Core	Direct energy consumption by primary energy source.	Not Reported	-
EN4	Core	Indirect energy consumption by primary source.	29, 30	Partial
EN5	Additional	Energy saved due to conservation and efficiency improvements.	29, 30	Partial
EN6	Additional	Initiatives to provide energy-efficient or renewable energy based products & services, & reductions in energy requirements as a result of these initiatives.	29, 30	Partial
EN7	Additional	Initiatives reduce indirect energy consumption & reductions achieved.	29, 30	Partial
EN8	Core	Total water withdrawal by source.	29	Partial
EN9	Additional	Water sources significantly affected by withdrawal of water.	Not Reported	-
EN10	Additional	Percentage and total volume of water recycled and reused.	Not Reported	-
EN11	Core	Location & size of land owned, leased, managed in or adjacent to protected areas & of high biodiversity value outside protected areas	Not Reported	-

GRI REFERENCE	INDICATOR TYPE	INDICATOR	PAGE	DISCLOSURE LEVEL
EN12	Core	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Not Reported	-
EN13	Additional	Habitats protected or restored.	Not Reported	-
EN14	Additional	Strategies, current actions, & future plans for managing impacts on biodiversity.	Not Reported	-
EN15	Additional	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not Reported	-
EN16	Core	Total direct and indirect greenhouse gas emissions by weight.	Not Reported	-
EN17	Core	Other relevant indirect greenhouse gas emissions by weight.	Not Reported	-
EN18	Additional	Initiatives to reduce greenhouse gas emissions & reductions achieved.	Not Reported	-
EN19	Core	Emissions of ozone-depleting substances by weight.	Not Reported	-
EN20	Core	NOx, SOx, and other significant air emissions by type and weight.	Not Reported	-
EN21	Core	Total water discharge by quality and destination.	Not Reported	-
EN22	Core	Total weight of waste by type and disposal method.	Not Reported	-
EN23	Core	Total number and volume of significant spills.	30	Partial
EN24	Additional	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Not Reported	-
EN25	Additional	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization s discharges of water and runoff.	Not Reported	-
EN26	Core	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	29, 30	Full
EN27	Core	Percentage of products sold and their packaging materials that are reclaimed by category.	Not Applicable	-
EN28	Core	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws & regulations.	Not Reported	-
EN29	Additional	Significant environmental impacts of transporting products and other goods and materials used for the organization s operations, and transporting members of the workforce.	Not Reported	-
EN30	Additional	Total environmental protection expenditures and investments by type.	Not Reported	-
Social: Labor Practices and Decent Work				
LA1	Core	Total workforce by employment type, employment contract, and region.	33	Full
LA2	Core	Total number & rate of employee turnover by age group, gender & region.	33	Full

GRI REFERENCE	INDICATOR TYPE	INDICATOR	PAGE	DISCLOSURE LEVEL
LA3	Additional	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	31	Full
LA4	Core	Percentage of employees covered by collective bargaining agreements.	Not Reported	-
LA5	Core	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Not Reported	-
LA6	Additional	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor & advise on occupational health and safety programs.	Not Reported	-
LA7	Core	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	36	Partial
LA8	Core	Education, training, counseling, prevention, & risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Not Reported	-
LA9	Additional	H&S topics covered in formal agreements with trade unions.	Not Reported	-
LA10	Core	Average hours of training per year per employee by employee category.	34	Full
LA11	Additional	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	34	Full
LA12	Additional	Percentage of employees receiving regular performance and career development reviews.	31	Full
LA13	Core	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	11	Partial
LA14	Core	Ratio of basic salary of men to women by employee category.	33	Full
Social: Human Rights				
HR1	Core	Percentage and total number of significant investment agreements that include human rights clauses or have undergone human rights screening.	Not Reported	-
HR2	Core	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	31	Full
HR3	Additional	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	16	Partial
HR4	Core	Total number of incidents of discrimination and actions taken.	33	Full

GRI REFERENCE	INDICATOR TYPE	INDICATOR	PAGE	DISCLOSURE LEVEL
HR5	Core	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Not Reported	-
HR6	Core	Operations identified as having significant risk for incidents of child labor, & measures taken to contribute to the elimination of child labor.	32	Full
HR7	Core	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	32	Full
HR8	Additional	Percentage of security personnel trained in organization>s policies or procedures concerning aspects of human rights relevant to operations.	16, 31	Full
HR9	Additional	Total number of incidents of violations involving rights of indigenous people and actions taken.	Not Applicable	-
Social: Society				
SO1	Core	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	Not Applicable	-
SO2	Core	Percentage and total number of business units analyzed for risks related to corruption.	16, 17	Full
SO3	Core	Percentage of employees trained in organization>s anti-corruption policies and procedures.	16	Full
SO4	Core	Actions taken in response to incidents of corruption.	16	Partial
SO5	Core	Public policy positions and participation in public policy development and lobbying.	Not Applicable	-
SO6	Additional	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Not Applicable	-
SO7	Additional	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Not Applicable	-
SO8	Core	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Not Applicable	-
Social: Product Responsibility				
PR1	Core	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Not Applicable	-
PR2	Additional	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Not Applicable	-
PR3	Core	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Not Applicable	-

GRI REFERENCE	INDICATOR TYPE	INDICATOR	PAGE	DISCLOSURE LEVEL
PR4	Additional	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Not Applicable	-
PR5	Additional	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	39	Full
PR6	Core	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Not Reported	-
PR7	Additional	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Not Reported	-
PR8	Additional	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Not Reported	-
PR8	Additional	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Not Reported	-
PR9	Core	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Not Reported	-

We declare that our 2009 reporting qualifies for the GRI "B+" Application level requirement in accordance with the criteria table below

Report Application Level		C	C+	B	B+	A	A+
Standard Disclosures	G3 Profile Disclosures OUTPUT	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15		Report on all criteria listed for Level C plus; 1.2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17		Same as requirement for Level B	
	G3 Management Approach Disclosures OUTPUT	Not Required	Report Externally Assured	Management Approach Disclosures for each Indicator Category	Report Externally Assured	Management Approach disclosed for each Indicator Category	Report Externally Assured
	G3 Performance Indicators & Sector Supplement Performance Indicators OUTPUT	Report on a minimum of 10 Performance Indicators, including at least one from each of: social, econimic, and environment.		Report on a minimum of 20 Performance Indicators, at least one from each of: economic, environment, human rights, labor, society, product responsibility.		Respond on each core G3 and Sector Supplement*. indicator with due regard to the materiality Principle by either: a) reporting on the indicator or b) explaining the reason for its omissin.	

INDEPENDENT ASSURANCE STATEMENT

INDEPENDENT ASSURANCE STATEMENT

To: the stakeholders of Dubai Customs

INTRODUCTION

Bureau Veritas has been engaged to provide external assurance to Dubai Customs over its 2009 Sustainability Report (the Report) and reporting process. The preparation of the Report is the sole responsibility of Dubai Customs. Bureau Veritas' aim is to provide assurance to stakeholders over the accuracy, reliability and objectivity of the information included in the Report.

SCOPE AND METHODOLOGY

◄ The scope of the assurance included review of:

- activities undertaken by Dubai Customs over the reporting period January 2009 to December 2009 (unless otherwise stated);

- information relating to Dubai Customs' issues, responses, performance data, case studies and underlying systems and governance to manage such information and data;

- information relating to materiality assessment, stakeholder mapping and engagement; and

- all GRI disclosures and related data.

Bureau Veritas recognises the need for a robust, transparent assurance process to ensure credibility and to drive performance improvement in Dubai Customs' sustainability reporting and strategy. This is achieved by providing an impartial commentary on the reporting process and proposing summary recommendations for further development within this statement.

◄ As part of its review, Bureau Veritas undertook the following:

- interviews with key senior managers and all contributors to the final report at Dubai Customs' main offices in Port Rashid, Dubai;

- review of processes for identification and collation of relevant information, report content and performance data from Dubai Customs' operations;

- verification of performance data and factual information within the Report;

- assurance of GRI disclosures against the GRI Reporting Framework (including principles); and,

- visit to an operational division of Dubai Customs and interviews with relevant site personnel.

OPINION

Based on our work, it is our opinion that the Report:

- addresses and responds to issues pre-selected by Dubai Customs for reporting that are deemed to be of material importance to the organisation;

- Defines the overall strategy for embedding CSR within Dubai Customs and explains the governance structures and responsibilities available to deliver the stated aims;

- includes information that is understandable and considered to be free from significant error or bias, and provides a reasonable account of relevant activities and performance within the context of sustainability over the reporting period;

- includes content that has been informed by internal and external stakeholder input;

- reflects a reasonable level of completeness for a second sustainability report, with disclosure of performance on some, but not all, issues deemed to be material by the organisation; and,

- includes an attempt to provide quantifiable performance figures against previous years performance where this has been available.

GLOBAL REPORTING INITIATIVE G3 GUIDELINES

Bureau Veritas has undertaken a formal review of Dubai Customs' Sustainability disclosures against the requirements of the GRI G3 Reporting Guidelines.

It is our opinion that the Report is written in line with the GRI reporting principles. It is also our opinion that the report contains the required standard and management disclosure requirements and adequately reports GRI indicators as required in the GRI G3 Reporting Guidelines and indicator protocols to achieve a GRI application level of B+.

Bureau Veritas encourages the use of the GRI to drive reporting and transparency. Bureau Veritas also believes that the focus for Dubai Customs must be upon the development and monitoring of material KPIs that are meaningful to both their business and stakeholders to help drive performance improvement throughout the organisation.

RECOMMENDATIONS

Some priority recommendations for consideration by Dubai Customs are presented below as a result of the assurance work. These and further detailed recommendations have been provided to the management of Dubai Customs in a separate internal Management Report. Dubai customs should:

- Undertake a detailed materiality assessment to inform its future reporting and document the process and findings within the report to ensure all key stakeholder issues are presented with appropriate prioritisation;

- Review the G3 Guidelines before the next reporting cycle to support increased alignment with GRI guidance when reporting standard and management disclosures;

- Consider reporting against the GRI sector supplement for Public Agency organisations in order to include additional material indicators and disclosures wherever possible;

- Continue to develop Key Performance Indicators (KPIs) and measurable targets in future reporting which best represent the impacts of Dubai Customs' activities, enabling its position and performance to be presented in a balanced manner. Such KPIs should be presented with

maximum clarity to allow stakeholders to easily understand sustainability performance over time; and,

❀ Align future assurance provision with adequate focus on the sustainability performance of its suppliers.

CONSIDERATIONS AND LIMITATIONS

Excluded from the scope of our work is information relating to:

❀ activities outside the defined reporting period;

❀ statements of commitment to, or intention to, undertake action in the future;

❀ statements of opinion, belief and / or aspiration;

❀ Independently audited financial data

Our work was carried out to provide reasonable, rather than absolute assurance and we believe the scope above provides a reasonable basis for our conclusions. As such, this independent statement should not be relied upon to detect all errors, omissions or misstatements.

Bureau Veritas
Dubai, August, 2010

STATEMENT OF INDEPENDENCE, IMPARTIALITY AND COMPETENCE:

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety and social accountability with over 180 years history in providing independent assurance services, and an annual turnover in 2009 of €2.7 billion.

Our assurance team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes in accordance with best practice. The assurance team does not have any involvement in any other Bureau Veritas projects with Dubai Customs and there is no conflict between the other services provided by Bureau Veritas and that of our assurance team.

Bureau Veritas has implemented a Code of Ethics across its business which ensures that all our staff maintains high ethical standards in their day to day business activities.

ABOUT THE REPORT

ABOUT THE REPORT

SCOPE AND FREQUENCY OF REPORTING

Dubai Customs Sustainability Report details our economic, social, and environmental activities and performance during 2009 calendar year. And in which we are voluntarily disclosing the information in as we respect and uphold the principle of corporate transparency and open communication. The Report is published annually, this being the second CSR Report published by Dubai Customs. First edition was for the year 2008 and was published in 2009.

ACCURACY, REPORTING STANDARD AND ASSURANCE

The data in this Report were gathered from all concerned departments and centers of Dubai Customs. A great effort has been made in the data collection, making sure of it's accuracy by gathering evidences and real indicating figures. The report is based on the Global Reporting Initiative (GRI) guidelines version G3 and has been also audited by an external assurance provider.

MATERIALITY OF DATA INCLUDED

The data in this Report was selected according to the materiality principle. During 2009 the CSR Department has undertaken a materiality assessment based on the views of stakeholders, peer reviews and internal knowledge to establish the material issues for inclusion within the report. Only data that is related to business and that have a major impact on CSR were included.

STAKEHOLDER FEEDBACK

We expect that the report will continue to evolve over the coming years as we focus on improving our environmental and social data management to enhance our reporting and accountability.

We encourage all our stakeholders to visit our website www.dubaicustoms.ae to view the report online, as we refrained printing the report in masses out of our commitment for environmental conservation.

For your valuable views, comments and feedback please contact:

Ms. Rehab Fouad Khedr
CSR Specialist, Community Affairs & Government Partnership
Dubai Customs
P.O Box 63, Dubai, UAE or   E-mail: rehab.khedr@dubaicustoms.ae

GLOSSARY

GLOSSARY

Code of Conduct	Formal statement of the values and business practices of a company and sometimes its suppliers.	Green Paper CSR European Commission, 2001
Corporate Governance	A system that direct & control businesses by a set of relationships between a company's management, its board, its shareholders & other stakeholders.	OECD Principles of Corporate Governance, 2004
CSR (or Corporate Responsibility)	When companies integrate social & environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis.	Green Paper CSR European Commission, 2001
Risk Management	Introducing of change or control measures with the intention of elim inating or bringing the level of risk associated with a hazard within acceptable limits.	EDP UK Glossary
Stakeholder	An individual, community or organisation that affects or is affected by some of an organisation's products, operations, markets, industries, and outcomes.	Green Paper - European Commission 2001 (adapted)
Child	Any person age less than 15 years, unless local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age apply. However, if local law is set at 14 years in accordance with developing-country exceptions under ILO Convention 138, the lower age will apply.	SA8000:2001 Standard
Child Labour	Any work by a child younger than the age(s) specified in the above definition of a child, except as provided for by ILO Recommendation 146.	SA8000:2001 Standard
Forced Labour	All work or service that is extracted from any person under the menace of any penalty for which said person has not offered him/herself voluntarily or for which such work or service is demanded as a means of repayment of debt.	SA8000:2001 Standard
Workforce Diversity	The similarities and differences in such characteristics as age, gender, ethnic heritage, physical abilities and disabilities, race, and sexual orientation among the employees of organisations	Organisation behaviour resource centre, Houghton Mifflin University, Canada
Health and Safety Policy	A statement of an organisation's strategy for achieving a safe and healthy working environment and the responsibility, organisation and arrangements for pursuing and implementing the strategy.	EDP UK Glossary
Training	A process that aims at improving knowledge, skills, attitudes, and/or behaviours in a person so that he/she will be able to accomplish a specific job task or goal. Training is often focused on business needs and driven by time-critical business skills and knowledge. Its goal is often to improve performance.	ROI in training, CECOA, 2003

Accountability	The principle that individuals, organisations and the community are required to account to others for their actions. Organisations and their employees must be able to account to appropriate regulatory authorities, to shareholders or members and to the public to meet statutory obligations, audit requirements, relevant standards and codes of practice, and community expectations	Australian Standard AS 4390-1996, Part 1. Clause 4.1
Benchmarking	Comparison of environmental and social management processes, performance and reporting. Benchmarking can be used to provide detailed comparisons of operating divisions within a company or companies within a particular sector.	CSR Network (SME Key - Glossary)
ISO 14001	An international environmental management standard developed by the International Organisation of Standardisation.	J Sainsbury plc Glossary
Key Performance Indicator	A statistical measure (quantitative or qualitative) of how well an organisation is doing.	American Society for Quality – Glossary(adapted)
Monitoring	The process of regularly collecting information to check performance against certain criteria	Green Paper CSR European Commission, 2001
OHSAS 18001	An assessment specification for Occupational Health and Safety Management Systems. It was developed in response to the need for companies to meet their health and safety obligations in an efficient manner.	BSI Management Systems
Social Accountability 8000	An initiative by Social Accountability International (SAI), a body created out of the Council on Economic Priorities Accreditation Agency (CEPAA). Its objective is to ensure ethical sourcing of goods and services. SA8000 is a voluntary standard and can be applied to any size of organisation across all industries. The standard can replace or augment company specific social accountability codes. SA8000 sets basic standards for: child labour, forced labour, health & safety, freedom of association & right to collective bargaining, discrimination, disciplinary practices, working hours, remuneration & management systems.	Ellipson(SME Key Glossary)
Partnership	Both a strategy and a formal relationship between organisations that engenders cooperation for the benefit of both parties.	American Association for Quality - Glossary