

Circular 420: Permit Insurance for Construction Works in the Emirate of Dubai

Date: August 31, 2022

Dear Valued Customer,

Pursuant to the issuance of the Executive Council Resolution No. (28) for 2022 regarding the permit insurance for building construction works in the Emirate of Dubai, and in support for the objectives contained therein, especially the reduction of risks, losses and damages that may arise from construction works, and establishing a comprehensive credit protection that preserves the rights of all parties involved in the construction sector.

In efforts to put into effect the aforementioned resolution, DDA is taking all measures necessary and will apply the following:

1. The resolution shall be enforced as of September 1st 2022.
2. The terms of the resolution will be applied to all types of construction permits issued from the mentioned date onwards.
3. In order to appoint a contractor for any construction related permit issued on this date onwards, the contractor must submit an insurance policy, issued by an insurance companies, to ensure compensation for any losses or damages that may occur as a result of construction work.
4. Construction works that require the contractor to issue an insurance policy before appointment for the related permits include the following:
 - Building construction and all related activities
 - Modifications and additions that are 300 sq.m. or more
 - Building demolition
 - Shoring works

5. The validity of the permit insurance is as follows:
 - For building construction and related activities, modifications and additions works, the validity is from the date of issuing the permit until one year after the issuance of the completion certificate.
 - For building demolition and shoring works, the validity is from the date of issuing the permit till the date of issuing the completion certificate.
6. The contractor shall follow this [template](#) as a reference when applying for the insurance policy and shall comply to the mentioned minimum requirements, including the scope (or extent) of the mandatory insurance coverage.

If you have any questions or wish to give feedback, please call Customer Care on tel: 800-4-DDA (332) or via [Connect With Us](#)

Regards,

Dubai Development Authority