

European (& the GCC) Employment Law Update

Jurisdiction: GCC
Date: May 2019

Impact date	Development	Impact
UAE		
November 2018	Mandatory Labour Awareness Training	<p>New employment residence applicants in select professions must attend an awareness session on labour regulations before having their employment contract approved by the Ministry of Human Resources and Emiratisation (MOHRE).</p> <p>This new requirement, initiated by MOHRE, must be carried out at one of the 37 Tawjeeh service centres across the UAE. After completion of the training, attendees will be issued their labour contract and a mobile phone SIM card to facilitate communication between the worker and MOHRE.</p> <p>Employees sponsored by companies in free zones are exempt from this requirement.</p> <p>Employers must account for the additional time needed to obtain a new employment residence permit as well as additional costs associated with the awareness session and issuance of the labour contract.</p>

January 2019	Fast track labour disputes court	<p>The Abu Dhabi Courts, in conjunction with Abu Dhabi Ministry of Human Resources & Emiratisation (ADMOHRE), launched a summary court to speed-up and resolve employment-related disputes.</p> <p>An employment-related case will only be referred to the summary court if a resolution cannot be achieved between the parties in Tawafuq Centre managed by ADMOHRE.</p> <p>The summary court only considers issues that are not high value in nature and relatively straightforward. For example, return of a passport or Emirates ID, issues with health insurance and cancellation of a work visa. More complex cases are referred to the One Day Labour Court. Courts fees are not payable.</p>
January 2019	Visiting Doctor License	<p>Healthcare professionals visiting Dubai are permitted to apply for a Visiting Doctor's Licence, issued by the Dubai Healthcare City Authority, to work at three clinical facilities in Dubai Healthcare City for up to two years and upon obtaining a Letter of Acceptance confirming their eligibility to work as physicians.</p> <p>The permit can later be converted into an employment residence permit under the sponsorship of a new employer in the DHC.</p>
February 2019	Whistleblower Protection in the UAE	<p>DIFC Law No 7 of 2018 (DIFC Operating Law) provides whistleblower protection and makes it an obligation on employees to disclose certain conduct, although it is relatively narrow as it relates to disclosures of suspected contraventions of legislation by a Registered Person (i.e. any registered entity in the DIFC) rather than unethical practices by an entity.</p> <p>However, the new law should promote proper governance and for companies to take steps to maintain proper whistleblowing policies and procedures.</p>

April 2019	<p>ADGM Proposed Amendments to Employment Regulations</p> <p>Reference: https://www.adgm.com/doing-business/adgm-legal-framework/public-consultations/</p>	<p>A public consultation was launched on proposed amendments to ADGM's Employment Regulations (Regulations). The consultation includes a proposal for a new rule to govern work carried out by individuals not sponsored by ADGM entities.</p> <p>The key proposals include the introduction of temporary work permits which will allow individuals seconded from other jurisdictions or outsourced from non-Global market entities to officially work in ADGM and facilitate the engagement of interns, with or without pay.</p> <p>Temporary freelancers may also be permitted to operate in ADGM under a temporary work permit.</p> <p>Further amendments to the Regulations include the provision of overtime and overtime pay, with the exception of those employed in supervisory and managerial positions. It will also look at provisions relating to Ramadan working hours, sick pay and repatriation flights. Protective provisions relating for the employment of young people aged between 15 and 18 is also under review.</p>
May 2019	Changes to DIFC end-of-service gratuity scheme	<p>Dubai International Financial Centre (DIFC) have announced plans to change the end-of-service gratuity scheme and replace this with a new Employee Workplace Trust (EWT) savings scheme. The EWT scheme will see DIFC employees contribute to a savings fund rather than receiving the statutory ESG entitlement (paid out by the employer) at the date of employment termination.</p> <p>The contribution rate will be equivalent to the current gratuity and employees will be able to made additional contributions to the fund and have the opportunity to invest in low, medium or high-risk options. A new law detailing the provisions and requirements will be issued and the scheme will be</p>

		regulated by the Dubai Financial Services Authority (DFSA). The replacement scheme is due to take effect on 1 January 2020.
Oman		
February 2019	National Recruitment Centre	<p>The National Recruitment Centre has been established to assist with the recruitment of unemployed Omani nationals into the public and private sectors by having a complete database of unemployed nationals (job seekers) which is to be shared with both sectors to fulfil their employment needs.</p> <p>The National Recruitment Centre will nominate job seekers to private sector companies for potential recruitment.</p> <p>Although not expressly stated in the law, it is expected that private sector employers will notify the National Recruitment Centre of vacancies that arise.</p> <p>The National Recruitment Centre is established by Royal Decree No 22/2019 and repeals Royal Decree No.98/2011 and the previously known Public Authority for Manpower Register.</p>
March 2019	Expat Visas (Tanfeedh initiative)	<p>As part of Tanfeedh's initiative to diversify the Oman economy and attract Omani nationals to the private sector, the government is introducing a new scheme where companies committed to Omanisation will be able to fast track visas for expatriate workers within 24 hours for their organisation.</p> <p>There are a high number of Grade One companies who fulfil criteria to receive the Work Environment Measurement Card Al Majeedah which enables them to receive the priority service for expatriate visas. Also, Grade One companies will no longer be restricted in appointing foreigners in managerial positions subject to achieving the minimum Omanisation quota of 60 per cent.</p>

April 2019	<p>Health Insurance</p> <p>Capital Market Authority Resolution No 34 of 2019</p>	<p>Residents in Oman will be required to have in place a minimum level of medical insurance coverage pursuant to Ministerial Decision No.34 of 2019, for the issuance of Unified Healthcare Insurance Policy (UHIP), which was issued by the Capital Market Authority.</p> <p>The compulsory health insurance scheme (known as Dhamani), stipulates employers in the private sector are required to provide health insurance to all its employees and their dependants (spouse and children aged 21 or below).</p> <p>Expatriate employees will be entitled to medical treatment capped at OMR 3,000 for in-patients and OMR 500 for out-patients per year under Dhamani. The health insurance will be implemented in phases depending on company size until such time where all private sector employees (2.1 million) are covered.</p>
May 2019	Suspension of labour clearance bans	<p>Ministerial Decision No 73/2019 extends the suspension of work permits for an additional six months (from 4 February 2019) for positions including:</p> <ol style="list-style-type: none"> 1. General Accountant Technician; 2. HR Specialist; 3. Electrical Engineering; 4. Mechanical Engineering; 5. Power Station Technician; and 6. Maintenance Technician. <p>Ministerial Decision No.221/2019 has restricted the recruitment of certain professions and is to be strictly reserved for Omani nationals only. The roles that are affected encompass human resources, training, public relation and employee affairs and any other administrative and clerical positions. Any foreign nationals working in these positions will no longer have their work permits renewed once they have expired.</p>

Saudi Arabia		
December 2018	Online Registration for Employment Contracts	The General Organisation for Social Insurance (GOSI) and the Labour and Social Development Ministry launched a new initiative which allows employers in the private sector to upload and update electronic versions of employment contracts for Saudi and foreign employees. It is expected the registration process will become mandatory for all employers in the near future.
May 2019	Special Residency Scheme for Expats	<p>KSA's Shoura Council has approved a special residency scheme, similar to the US green card system, aimed at attracting wealthy and highly skilled expat talent. The scheme is to provide various benefits to those who hold a special residency permit, including the right to own property, do business in the Kingdom, recruit foreign workers and obtain visitor permits for family members. There will be two types of permits:</p> <ol style="list-style-type: none"> 1) Defined and renewable residency (annually); or 2) Unlimited. <p>If approved, the applicants will no longer be required to have a Saudi sponsor or employer.</p>
Qatar		
October 2018	Out-of Qatar Visa Centres	The Ministry of Interior (MOI) announced it aims to provide an efficient visa processing procedure for expatriates. Foreign nationals from select countries, including Sri Lanka, Bangladesh, India, Indonesia, Nepal, Pakistan, Philippines and Tunisia, seeking employment in Qatar will be required to complete new immigration procedures before travelling to Qatar.

		Designated service centres are located in the applicant's home country, where a medical examination, biometric data and employment contract are complete before obtaining an entry permit for travel to Qatar.
Kuwait		
December 2018	Mandatory Health insurance	<p>The National Assembly of Kuwait has approved a draft law stating health insurance coverage must be provided to all foreign residents and visitors in the country.</p> <p>Once ratified, proof of insurance is expected to be compulsory for the issuing of employment and residence permits as well as approval of visitor visas.</p> <p>The draft law also seeks to impose obligatory health insurance on foreigners visiting the country.</p>
February 2019	Kuwaitization Policies	<p>Kuwait's finance ministry is seeking to replace expatriate employees in the public sector with Kuwaiti nationals by March 2019. It is expected that approximately 3,000 expatriates are to be replaced, with wider government plans to focus recruitment for the public sector purely for Kuwaiti citizens.</p> <p>Effective from June 2019, companies in the private sector who don't comply with their prescribed Kuwaitization rations will be subject to an annual 300 Dinar fee for each work permit issued to a foreign national. The change follows the issuing of a ministerial decision in late 2018 which determined the Kuwaitization levels for companies in various business sectors and the general trend in Kuwait for encouraging the hiring of local employees in the private sector.</p>

Bahrain		
February 2019	Bahrainisation Reforms	<p>Bahrain's Prime Minister announced a new National Employment Programme (NEP), which aims to increase the number of Bahraini nationals employed in the public and private sectors.</p> <p>There are four key initiatives within the NEP:</p> <ul style="list-style-type: none"> • launch an awareness campaign to encourage citizens to register in NEP; • increase unemployment aid for university degree holders and dismissed/laid-off employees; • increase in compensation fees associated with the Parallel Bahrainisation System and the Flexible Work Permit; and • redesign of Tamkeen's training and wage support programme.
March 2019	Bahrainisation of Public Sector	<p>Bahraini MP's have approved a proposal for the public sector to be completely staffed by Bahrainis within four years. With around 10,000 expatriates in the public sector, the proposal would see them replaced with Bahraini nationals.</p>