

## European (& the GCC) Employment Law Update

Jurisdiction: GCC  
Date: October 2018

Impact date	Development	Impact
<b>UAE</b>		
April 2018	Employment of Emirati nationals	<p>The Minister of Human Resources and Emiratisation ("MHRE") has issued Ministerial Decree 212 of 2018 prescribing the procedure and regulations for employing and terminating Emirati nationals in the private sector.</p> <p>This includes:</p> <ul style="list-style-type: none"> <li>• the procedure for applying for a National work permit to employ an Emirati;</li> <li>• limited term contracts (which cannot exceed 2 years in length) to be approved by the MHRE;</li> <li>• a prohibition on terminating an Emirati unless for a statutory reason under Article 120 of the Labour Law (relating to misconduct) or expiry of a fixed term contract;</li> <li>• a prohibition on replacing an Emirati with a foreign national (unless the MHRE has granted approval);</li> <li>• penalties for early or unlawful termination of an employment contract;</li> <li>• a default notice period of three months where the employment contract is silent;</li> <li>• a prescribed fast tracked procedure for dealing with an employment dispute;</li> <li>• an obligation on the employer to provide counselling, advice and training services where the employment is terminated;</li> <li>• penalties apply for failing to comply with the Ministerial Decree, which may include a suspension of work permits.</li> </ul>

May 2018	Long term visas	<p>The UAE Cabinet has approved the adoption of a 10-year visa for investors and professionals (in the medical, scientific, research and technical fields).</p> <p>The UAE Cabinet has also announced that foreign nationals in the UAE aged 55 and above will be able to take advantage of a new government initiative enabling them to continue to reside in the UAE under a 'retirement visa' for up to 5 years, with the possibility of renewal.</p> <p>There are specific conditions attached to qualify for the visa, including owning an investment property at a minimum AED 2 million or savings of AED 1 million or regular/active income of AED 20,000 monthly.</p>
August 2018	Modifying visa status	<p>The UAE government introduced an amnesty program allowing illegal residents to regularise their immigration status or leave the country. The scheme came into effect in August 2018 and foreign nationals can utilise the 90 day amnesty scheme until 31 October 2018.</p> <p>Foreign nationals have two options to either (a) return to their home country without facing penalties or fines; or (2) secure sponsorship with a new employer which will also entitle the foreign national to have any overstay fines waived.</p>
August 2018	Special Needs ("People of Determination")	<p>Cabinet Resolution No 43 of 2018 introduces requirements on employers to afford disabled persons (defined as those with a permanent or temporary (partial or total) physical, sensory, mental, communicative, educational or psychological disability or deficiency) equal employment opportunities as abled bodied persons.</p> <p>The Resolution's provisions include requiring employers to have in place transparent hiring practices for disabled persons; prohibits discrimination in relation to their employment; requires safe and healthy work conditions and safeguarding against abuse and harassment; requires reasonable work accommodation and flexible working hours for those that require such an adjustment; provide career progression; and prohibits termination of employment except in the case of retirement and medical incapacity.</p> <p>The Resolution applies to both UAE nationals and expatriates.</p>

October 2018	Worker's Insurance Scheme	<p>As part of the UAE Cabinet's series of decisions, the bank guarantee system for private sector employees will be phased out with a new worker's insurance scheme, effective 15 October 2018.</p> <p>The aim of the new system is to reduce operational costs for businesses and to expand employee rights. The new scheme applies to all private sector employees, including domestic workers.</p> <p>The bank guarantee system requires an employer to deposit AED 3,000 per work permit application.</p> <p>Under the new scheme, the employer may instead opt to pay an insurance premium of AED 60 per foreign national for a two year permit with insurance coverage of up to AED 20,000 for unpaid wages, workplace injuries, end of service benefits and a repatriation flight ticket.</p> <p>Employers will be able to recover deposits under the bank guarantee system after cancellation or renewal of the work permit and payment of the insurance under the new system.</p>
Q1 2019	DIFC Employment Law	<p>It was anticipated the new DIFC Employment Law would come into effect sometime this year.</p> <p>The draft law proposes a number of changes, including:</p> <ul style="list-style-type: none"> <li>• extending category of individuals who may be subject to the new law;</li> <li>• limiting the circumstances to which financial penalties for late payment of employee dues will apply;</li> <li>• paternity leave and time off for antenatal care for expectant fathers;</li> <li>• expanding anti-discrimination provisions;</li> <li>• introducing a time limit for filing discrimination claims;</li> <li>• capping compensation for discrimination claims;</li> <li>• introducing compensation for constructive dismissal claims; and</li> <li>• introducing whistleblower rights.</li> </ul>

Oman		
23 April 2018	HSE	<p>The Ministry of Manpower has issued Ministerial Decision 270/2018 which amends Ministerial Decision 286/2008 relating to occupational safety and health measures to ensure a safe workplace for employees applicable to private sector establishments.</p> <p>The amendment introduces an obligation on employers in the oil, gas, ports, airports, electricity and water sectors to carry out random and regular alcohol and drug testing of their employees.</p>
30 April 2018	Part time employees	<p>The Ministry of Manpower has issued Ministerial Decision 153/2018 amending an earlier decision on part time workers (Ministerial Decision 40/2017).</p> <p>The category of individuals to be considered for eligibility for part time work has been extended to include pensioners, active job seekers and minors of 15 years of age and university students. The Ministerial Decision prescribes the conditions and restrictions for part time work for minors and students.</p>
May and July 2018	Suspension of work visas for foreign nationals	<p>The Ministry of Manpower has extended the suspension of the temporary bans on work visas for foreign nationals in relation to several positions (as previously reported in our last edition). The suspensions are in place for a further six months, some until 30 January 2019.</p>
26 August 2018	Absconding employees	<p>The Ministry of Manpower has issued Ministerial Decision 270/2018 where prior to reporting an absconding expatriate employee, the employer must verify that it has paid the previous three (3) months' salary to the employee before it can file a complaint. Any employer who files 5 or more complaints in one month or ten or more complaints during a twelve (12) month period of absconding employees, will be subject to inspections by the Ministry of Manpower to check for Labour Law compliance with possible sanctions where any contraventions of the law are identified.</p>

<b>Saudi Arabia</b>		
June 2018	Anti-Harassment	<p>There is a new anti-harassment law (outside of Islamic Sharia principles) which criminalises physical and verbal harassment, and innuendo of a sexual nature (regardless of gender). It introduces a duty on victims and witnesses to report harassment.</p> <p>The law is also applicable to public and private entities, which are under an obligation to prevent harassment (including introducing a grievance procedure). Penalties for violation of the law include terms of imprisonment of up to 2 years (5 years in certain circumstances, e.g. for certain offences committed at the work place) as well as fines of SAR 100,000 (which can be increased to SAR 300,000 in limited circumstances).</p>
September 2018	Proof of lease agreement to obtain work permit	Work permits are to be issued, subject to providing evidence of a tenancy agreement which is registered with Ejari. This will be strictly enforced by the Ministry of Labour and Social Development and the Ministry of Housing.
September 2018	Saudisation	The Ministry of Labour has continued its implementation of Saudisation rules, prohibiting employment of foreign nationals in twelve industry sectors, ranging from certain retail outlets to automobile shops.
<b>Qatar</b>		
September 2018	Obtaining permanent residency status	<p>The Qatari government has made permanent residency status an option for a limited number of foreign nationals per year (100).</p> <p>The qualifying conditions in which a foreign national can obtain permanent residency status in Qatar include prior residency and qualifying income, as well as sufficient knowledge of Arabic.</p> <p>Foreign nationals with the new permanent status will be able to access state health and education as well as have certain investment rights previously available only to national citizens. The Law will be effective from the date of publication in the Official Gazette (awaited).</p>

<b>Kuwait</b>		
September 2018	Visas for wives and children	A circular issued by the National and Passport Affairs came into effect during September 2018 where visit visas for expat wives and children will be issued on a 3-month basis instead of 1 month.
September 2018	Employment of nationals in private sector	<p>The Manpower and Government Restructuring Program (MGRP) has issued a new proposal to increase the number of national workers employed in the private sector, provide them with greater job security and fairer employment opportunities.</p> <p>The proposal is currently under consideration by the Replacement and Employment Crisis Committee.</p>
<b>Bahrain</b>		
1 August 2019	Data Protection	<p>The Bahrain Government has introduced Law No.30 of 2018 on Protection of Personal Data to closely align itself to provisions found in the EU General Data Protection Regulation.</p> <p>Businesses in Bahrain are obliged to comply with the data protection rules by 1 August 2019. The law restricts the processing of personal data, transferring of personal data outside the jurisdiction and introduces enhanced restrictions in the transfer of sensitive personal data.</p>