

## DMCC: Implementation of Insurance Scheme – Update

Legal Briefing ( 27 May 2020)

*In our Legal Briefing dated May 4, 2020 we provided an overview of legal updates introduced by the Dubai Multi Commodities Center Authority (“DMCCA”). One of the implemented measures was the introduction of an insurance scheme which will replace the deposition of a cash security. Beginning of this week, the DMCCA has announced further details for the replacement procedures of the visa cash security deposits.*

Starting from May 19, 2020, the new insurance scheme has been implemented by the DMCCA for all visa applications made as of this date.

The fees for the new insurance will be automatically added to the fees payable when applying for a new employment visa or renewal of an existing employment visa. In case of a visa renewal, the existing visa security deposit will be refunded to the company’s portal account.

The new insurance scheme also applies for non-sponsored employees (those who are under husband or wife visa).

It should be noted that all visa applications which have not been submitted until May 19, 2020 (meaning which are saved as a draft in the portal) will be cancelled

automatically and the company would have to raise a new application.

All applications that are currently under process (submitted before May 19, 2020) will proceed subject to the cash security deposit.

The insurance premium will depend on the employee’s salary and the validity of the insurance and the visa respectively (1, 2 or 3 years). Premiums will range between AED 85 (salary below AED 4,000 and for one 1 year) and AED 570 (salary above AED 19,000 and for 3 years).

For any further information on the implementation of the insurance scheme please contact [yulia.kasiyanova@schlueter-graf.com](mailto:yulia.kasiyanova@schlueter-graf.com).

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