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EMPLOYMENT  
LAW & HUMAN  
RESOURCES  
MANAGEMENT  
IN THE UNITED  
ARAB EMIRATES

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# **EMPLOYMENT LAW & HUMAN RESOURCES MANAGEMENT IN THE UNITED ARAB EMIRATES**

by  
SCHLÜTER GRAF  
and  
Departer – The German Headhunter

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This guide is a joint publication by the law firm SCHLÜTER GRAF and the recruitment consultancy Departer – The German Headhunter.

## **2<sup>nd</sup> edition**

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## A. Introduction

### I. Economic Situation in the United Arab Emirates

The United Arab Emirates (UAE) is a federal state consisting of seven Emirates: Abu Dhabi, Ajman, Dubai, Fujairah, Sharjah, Ras Al-Khaimah, and Umm Al-Quwain. Due to its expansion and diversification efforts, the UAE has experienced a considerable economic growth since its foundation in 1971. The gross domestic product (GDP) of the UAE in 2022 as per the latest Central Bank forecast is estimated to reach 6.5% driven by both oil & non-oil sectors<sup>1</sup>.

Despite its young history as a nation and its relatively small size and population, the UAE has repeatedly shown a great amount of flexibility and dynamism, often introducing new policies and changes in its laws on short notice to react to external challenges and to protect its economy. This has allowed the country to overcome major events as evidenced in the recovery from the global financial crisis in 2007-2008 and, more recently, the way the country has been managing the setbacks of COVID-19.

Over the last years the UAE has been in open competition with its large neighbor and regional powerhouse Saudi Arabia. Saudi Arabia's reform process and growing ambitions to establish itself as a center for foreign investment has prompted the UAE to increase the pace of its own modernization and liberalization initiatives with the intention to create new investment incentives: Since June 2021 foreign investors are permitted to hold 100% ownership in companies (also outside the various free zones) and certain categories of employees can apply for residence visas of five or ten years (compared with current terms of two years<sup>2</sup>).

1. Chapter 2, The Central Bank of UAE – Quarterly Economic Review Q2, 2022.

2. In accordance with Article 38 of the Implementing Regulations No. 65 of 2022, executed on October 3rd, 2022, to the UAE Immigration Law of No. 29 of 2021; residence permits for employees in the UAE will now be issued for a maximum of two years instead of three.

In May 2022, the UAE announced the introduction of a corporate income tax regime, effective 30 June 2023. The introduction of additional taxes together with the implementation of certain compliance mechanisms (e.g., economic substance regulations (ESR) and ultimate beneficial owner (UBO) reporting duties) are aimed at improving the international standing of the UAE as a competitive economy with a legal framework in accordance with international business standards. It is also aimed at discarding the UAE's reputation of a "tax haven" with the European Union and the OECD.

Overall, it is the political stability, accompanied by the liberal commercial policy and excellent infrastructure that continue to make the UAE and particularly Dubai, highly attractive for foreign investors. Other important success factors consist in the unchanged strategic advantages of the region which include the geographic location, making it an ideal interface between the Occident and the Orient, the relatively cheap workforce, followed by further investment incentives such as tax exemptions, low-tariff policies, free trade zones, unrestricted capital and profit transfer, the pegging of the UAE currency (i.e., the UAE Dirham or AED) to the USD, modern health and education facilities, broad social and religious tolerance as well as a high standard of living.

## II. Population

More than 88% of the approximately 8.9 million inhabitants of the UAE are of foreign origin. The largest group of immigrants comes from India, followed by Pakistan, Bangladesh, Philippines, Iran, Egypt, Nepal, Sri Lanka, China, and other countries. The number of residents in the UAE is continuously growing and, on average, its population tends to be young.

The share of 72% held in the total population by male residents represents another extraordinary factor in the UAE. This can be explained by the overwhelming number of male employees supporting their families in their home countries. Regardless of the high male population, the UAE also presents families and women an attractive and secure domicile offering a high quality of living and a very low crime level.

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**Practical Tip:** *At the workplace, people with different cultures, religions, and educational backgrounds come together. Companies operating in the UAE should foster an inclusive work environment and ensure that the intercultural differences of their staff are respected.*

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## B. Principles of Employment and Residence Law in the United Arab Emirates

### I. General

Until February 2022, employment relationships were regulated by UAE Federal Law No. 8 of 1980 as well as a multitude of decrees and resolutions. On the occasion of the UAE's 50th anniversary, the largest legal reform in the country was launched. Over 40 laws were newly enacted or significantly amended. One of the newly enacted laws was the UAE Labor Law by Federal Decree Law No. 33 of 2021 (UAE Labor Law) and its implementing regulations in Cabinet Decision No. 1 of 2022 (Implementing Regulations). In addition, several cabinet decisions and ministerial resolutions have been passed.

The UAE Labor Law governs the legal relationship between employers and employees and, apart from regulations on contracts, remunerations, and terminations, also includes rules on the protection of employees. In addition, special rules concerning the employment of women and young people have been provided for therein. The UAE Labor Law applies to all employees working in the UAE, irrespective of whether they are nationals of the UAE or foreign employees, except for civil servants, members of the police, military, (state) security forces, domestic servants, and employees working in the agricultural sector.<sup>1</sup> For Emirati citizens employed in government institutions, special regulations apply, e.g., UAE Federal Law No. 11 of 2008 on the federal level.

With the exception of the Dubai International Financial Center and the Abu Dhabi Global Markets, UAE free zones are not exempted from the applicability of the UAE Labor Law. Many free zones, however, are subject to their own labor law regulations which put certain stipulations of the UAE Labor Law in more precise terms (often to the favor of the employee) and - according to more recent decisions taken by local superior courts - have priority over the regulations

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1. Art. 3 of the UAE Labor Law.



set forth in the UAE Labor Law. Furthermore, various free zones operate their own mediation centers to be consulted in case of disputes. As a rule, however, they do not take final decisions because these are reserved to ordinary labor courts.<sup>1</sup>

## II. Preparation of an Employment Relationship

Employment relationships should be based on solid preparations. Especially when recruiting foreign employees, it must be taken into account that several fields of law are interrelated with each other, namely labor law regulations as well as visa and residence regulations.

### 1. Applying for the Work Permit and Residence Permit

Prior to starting work in the UAE, employees are bound to apply for a work permit and, in the case of foreign nationals, apply for a residence permit, as well. The work permit must be applied for with the Ministry of Human Resources and Emiratization (MOHRE) and the residence permit with the UAE immigration authority i.e., the General Directorate of Residency and Foreigners Affairs (GDRFA).

According to the sponsorship system in force in the UAE, which is applicable to all foreign employees, except for nationals of the Gulf Cooperation Council (GCC), only the employer acting as sponsor of the employee is authorized to apply for a work permit. The term “sponsor” (Arabic word: kafil) in this context means bailman/guarantor.

Owing to the introduction of a new work pattern and categories of residence visas, the UAE Labor Law introduced new categories of work permits<sup>2</sup> including the following:

- Student training work permit;
- One-mission work permit;
- Golden visa work permit;
- National trainee work permit;
- Freelancer permit.

Together with new categories of work permits, new visa categories have also been introduced:

- Remote work visa (valid for 1 year; for individuals wishing to work remotely from the UAE without the necessity to enter an employment relationship or establish a company locally);
- Retirement visa for UAE residents (valid for 5 years; subject to certain investment criteria);
- Green visa (valid for 5 years; for freelancers or skilled employees subject to certain criteria);
- Golden visa (valid for 10 years; for entrepreneurs, investors, highly skilled employees and exceptional talents and students/graduates).

The green and golden visas – unlike the normal residence visa – allows the visa holder to sponsor

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1. See also section B.IV.7. (Enforcement of Rights) below.

2. Art. 6 of the Implementing Regulations.

himself/herself. This means that the visa will not be issued through a company. However, holders of green and golden visas will still require a valid work permit in order to work for a company in the UAE (including the free zones).

The standardized procedure to be complied with when applying for a work and residence permit is briefly summarized hereinafter:

### a) Offer Letter

Since 2016, every employer is obliged to send a corresponding contract offer (offer letter) before a foreign employee enters the UAE. The offer letter must contain the essential terms of the employment relationship as well as the rights and obligations of the employee.<sup>1</sup> MOHRE has made a standard form for mandatory use available.

The official standard employment contract to be issued thereafter must correspond to the information given in the offer letter. This is to ensure that employees are sufficiently informed about their contractual rights and duties before entering the UAE or, as the case may be, when changing the employer within the UAE and that the employer complies with its commitments towards the employee.

### b) Standard Employment Contract

When applying for a work permit, the offer letter signed by the employee must, together with other required documents, be submitted to MOHRE. Afterwards, the official standard employment contract must be signed by both parties and registered with MOHRE.

### c) Work Visa, Residence Visa and Labor Card

The provisional issue of a work permit is followed by the application of a work visa. After the employee has entered the UAE by means of the work visa, he or she must undergo a medical check and apply for an Emirates ID Card.

Before a residence visa is issued in the Emirate of Dubai and/or Abu Dhabi, the local employer must take out an obligatory health insurance for the employee and submit it to the immigration authority together with further documents. In other Emirates, this is not yet required. Upon submission of all documents, the residence visa is issued and afterwards the employee receives a labor card.

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**Practical Tip:** Starting to work without having obtained a work permit and residence visa may result in severe consequences both for the employee and the employer. Infringements can entail monetary fines for the parties and, when appropriate, deportation of the employee, accompanied by an unlimited ban on re-entry into the UAE. Always enquire about the necessary documents for the application of a work and residence permit in advance. Possibly and irrespective of the desired work, certificates or other documents issued in the home country have to be attested/legalized, translated, and submitted. In the event that documents fail to be complete upon application, the application process may become unnecessarily lengthy.

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1. Art. 1 of the Ministerial Decree No. 764 of 2015.

## d) Additional Private Employment Contracts

Apart from the official standard employment contract of MOHRE, an additional private written employment contract between the parties may be useful, for instance, if the parties want to provide for detailed regulations on their rights and duties. The standard employment contract issued by MOHRE is rather concise and options to make amendments are limited.<sup>1</sup> If the additional private written employment contract is drawn up with care, it is possible that the courts will recognize and accept it. In the final instance, however, both the 'Labor Committee' (mediation board with the labor department) and the courts will decide on the legal effectiveness of the additional private written employment contract on a case-by-case basis.

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**Practical Tip:** *Deviations from the minimum standards provided for in the UAE Labor Law are only permitted if they are to the employee's favor (Art. 65 UAE Labor Law). Even a waiver of certain rights or claims explicitly made by the employee in writing is, as a rule, ineffective. For this reason, additional private agreements should comply with UAE Labor Law as well as with the standard employment contract.*

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## 2. Grace Periods

Recent UAE press reports indicate that renewing a residency visa upon its cancellation or expiration can now be done within a longer grace period depending on the type of visa:

- 60 days for normal residence visa holders;
- 90 days for property owners and skilled professionals (3rd level<sup>2</sup>);
- 180 days for green & gold visa holder, their families, widows, divorcees, students who have completed their studies and skilled professionals (1st & 2nd level).

## 3. Employment Contract Preparation

### a) Minimum Content of the Employment Contract

According to Art. 10 of the Implementing Regulations, an employment contract must at least include the following details:

- remuneration inclusive of allowances, if agreed upon;
- commencement of employment relationship;
- date of contract signature;
- workplace and working hours;
- probation period;
- leave entitlement;
- notice period and procedure for termination; and
- description of the work activity/job title.

These features are included in the official standard employment contract from MOHRE.

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1. Every amendment or change of the standard employment contract is according to Art. 10 (2) of the Implementing Regulations subject to the approval of MOHRE.  
2. Levels as per MOHRE classification.



## b) Term of Employment Contracts

Under the old labor law, there were two kinds of employment contracts, limited and unlimited term contracts, which differed from each other with respect to termination regulations and resulting compensation entitlements of employees. Now, the UAE Labor Law provides that all employment contracts in the UAE must be for a fixed term.

Initially, the new UAE Labor Law provided for contracts to be limited up to a maximum term of three years. However, effective as of September 2022 by virtue of Article 8(3) of Federal Decree Law No. 14 of 2022 amending certain provisions of the new UAE Labor Law<sup>1</sup>, the current duration of employment contracts, although limited in term, is flexible and subject to the parties' agreement. Nevertheless, currently, the administrative practice of the UAE authorities factually allows for two-year terms in the official employment contracts, i.e. in the employment contracts that will be registered with the authorities.

## c) Non-Competition Clauses

Non-competition clauses serve to protect companies, particularly because highly qualified employees may obtain access to sensitive information and trade secrets in the course of their employment relationships. In such cases, employers are bound to protect such information and trade secrets from competitors.

Art. 10 of the UAE Labor Law permits the employer to include non-competition clauses in the contract if the employee has access to information on the employer's clients or to any other trade secrets. By means of such clauses, it may be stipulated that, after termination of the contractual relationship, the employee has to refrain from directly competing with the employer and from acquiring or holding shares in a company that competes or will in future compete with the employer.

The effectiveness of such clauses depends upon:

1. personal aspects: at the time of contract conclusion the respective employee must be at least 21 years old;
2. factual aspects: the clause is only effective under the proviso that it is necessary for protecting the legal interests of the employer; and
3. criteria related to time/ territory/ work activity: the clause must be appropriately limited in terms of duration and territory as well as with respect to the precise business activity.

Before the courts, the onus of proof as to the fulfilment of these requirements lies with the employer.

These labor law provisions are supplemented by general civil law regulations, especially by Art. 909 and Art. 910 of the UAE Civil Code<sup>2</sup> as well as the Implementing Regulations. Accordingly, non-competition clauses fail to be enforceable if

- the reason for termination can be attributed to the employer, or
- the employer breaches its legal or contractual obligations, or
- the contract will be terminated during the probation period.<sup>3</sup>

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1. Federal Decree-Law No. 33/2021.

2. Federal Law No. 5 of 1985.

3. Art. 12 of the Implementing Regulations.

In an attempt to effectively enforce non-competition clauses, an employer may in practice be confronted with the problem that it has no possibility to force the employee by way of interim relief to refrain from becoming active for a competitor.

Moreover, the employer must provide evidence of the damage, if any, already incurred or expected to occur in future due to the employee's new work. These circumstances entail that the employee may continue to be active for the competitor even after initiation of legal proceedings and that the new employment contract is effective.

Art. 12 of the Implementing Regulations provides the possibility for the employee to be released from the non-competition obligation subject to payment of a compensation not exceeding 3 months' salary and the (former) employer's written consent to such a release.

Experience shows that, an agreement on non-competition clauses usually results in nothing else than in claims for damages against the employee, with the employer being obliged to substantiate the claims - something that is frequently difficult to achieve in practice.

Therefore, non-competition clauses should provide for a reasonable contractual penalty in order to reinforce them or, at least, to make them relatively enforceable. Furthermore, a release option against payment of a compensation could be an alternative to compensate certain damages without the requirement of enforcing the non-competition clause.

#### d) Confidentiality Clauses

Employment contracts in the UAE should furthermore include non-disclosure clauses binding the employee to treat the internal affairs of the employer with confidentiality.<sup>1</sup> As a rule, such aspects are agreed upon in an additional private written contract.

#### e) Secondary Employment

The employee is not permitted to work for an employer other than the one indicated in his or her residence visa and work permit. It is already for residence law-related reasons that secondary employments of an employee are categorically prohibited by law.

In recent years, however, this fundamental rule has been relaxed, starting with Ministerial Decision No. 31 of 2018, with the effect that it is now possible to apply for time-limited additional work permits enabling certain skilled employees to work for several employers. These include part-time and temporary work arrangements which, in practice, are subject to the employer granting the employee its consent thereto (via a non-objection certificate – NOC) and the employee obtaining the required official work permits.

### III. Reciprocal Rights and Duties in Connection with the Employment Relationship

In addition to following the appropriate immigration and labor procedures, employers and employees should also familiarize themselves with their reciprocal labor law-related rights and duties. Corresponding regulations should above all be agreed upon with regard to the following aspects:

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1. Legal bases in this context can be found in Art. 16 (4) and 44 (5) UAE Labor Law, Art. 905 (5) UAE Civil Code and Art. 432 UAE Penal Code.

## 1. Remuneration

The major obligation on the part of the employer consists in paying the agreed remuneration to the employee, always provided that the employees carry out the work or services owed by them at the time and location agreed upon. Pursuant to Art. 22 of the UAE Labor Law, the remuneration is to be paid out at the place of work in the local currency or any other agreed upon currency. Depending on what has been agreed upon, payments may be made on a daily, weekly, or monthly basis.

A **minimum wage** for foreign nationals has not been provided for by law but according to administrative practices, factual minimum amounts depending on job titles may apply. In this context, it is to be noted that an employee earning less than AED 3,000 with housing or less than AED 4,000 without housing will not be able to 'sponsor' his/her family (wife/husband and children), i.e., to bring these family members into the country on the basis of his/her residence visa.

In practical terms, it is relevant that – based on Ministerial Resolution No. 43 of 2022 issued by MOHRE – remunerations must exclusively be paid via the **Wage Protection System (WPS)** to safeguard the interests of the employees in the UAE. WPS is designed to ensure that remunerations are actually received by the employees. The system applies to all companies and employees registered with MOHRE. Companies and branches established in free zones are exempted from such rule; it should, however, be noted that free zones have, as a rule, provided for comparable mechanisms. At present, the Jebel Ali Free Zone is the only free zone that has introduced WPS for all companies domiciled in this area.

WPS entails that salaries may only be remitted in the local currency to accounts held by employees with local banks after having been verified by WPS (the Central Bank of the UAE as the competent supervisory authority verifies the initiated transactions by means of the contract data registered with MOHRE). This procedure categorically excludes payments from a foreign country to a local account of the employee; likewise, payments to accounts held in a foreign country are possible to a limited degree only.

Exceptions to WPS are only possible with respect to certain quotas. Infringements of WPS may be punished by imposing monetary penalties and more severely – by blocking the access to the online system of MOHRE and the UAE immigration authority GDRFA, with the result that new visas and work permits can no longer be applied for or prolonged.

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**Practical Tip:** *As a rule, foreign employees receive an all-inclusive remuneration package, i.e., a package that, apart from the compensation for the work done, includes allowances (e.g., for housing, education of children, transportation costs, insurance etc.). These benefits are common, but not required by law. Such allowances are customarily paid in form of a lump sum or on a monthly basis.<sup>1</sup> A proper division of the package in basic salary and allowances is reasonable, also with a view to a later calculation of the end-of-service gratuity.*

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1. See also Chapter F. Salaries and Additional Benefits.



## 2. Probation Period

At the beginning of an employment relationship, a probationary period can be agreed upon; this period is limited to six months<sup>1</sup>. During such period, the employer may terminate the employment relationship with a notice period of at least 14 days. In case the employee would like to terminate the employment relationship during the probation period, to work for another employer, he/she has to observe a notice period of 1 month and in case where the employee wants to leave the country a notice period of 14 days. It should be noted that in cases of termination by the employee a compensation may be payable to the old employer if the employee wishes to take up a new employment in the UAE.

## 3. Working Hours

- Employees are not permitted to work more than eight hours a day<sup>2</sup>. As a rule, and based on a 6-day working week, the maximum weekly working hours amount to a total of 48 hours. Deviations in certain sectors and to the favor of the employee are possible: Persons active in retail trade, in hotels or in the catering industry may work nine hours per day. Travel times to and from the place of work are not included in working hours. The law also includes an obligation for employers to grant at least 1-hour breaks per day no later than after five hours of consecutive work<sup>3</sup>.
- In the fasting month of Ramadan, usual working hours for all employees must be reduced by two hours without any reduction of salaries<sup>4</sup>. This regulation makes no difference between Muslims and Non-Muslims.

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**Practical Tip:** Unlike other Arab countries, the UAE government declared a new weekend (Saturday/Sunday instead of Friday/Saturday) effective 1 January 2022 in order to enhance competitiveness and work in alignment with other countries. While this aligns the working week in the UAE with large parts of the rest of the world, organizations doing business with other economies in the region (e.g., Saudi Arabia) should consider how to organize their operations; companies in the UAE are free to choose their own weekend and are not bound to follow the new Saturday/Sunday weekend.

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## 4. Overtime Regulations

When necessary, chairpersons, members of boards of directors, managers and/or executives are to a reasonable degree expected to work longer without additional compensation as they are entrusted with employer-like duties. Thus, the aforementioned provisions on maximum working hours are not applicable to them<sup>5</sup>. In addition, overtime work may be requested for other employees within statutory limits (as a rule, no more than two hours per day) and must be compensated for by

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1. Art. 9 of the UAE Labor Law.  
 2. Art. 17 of the UAE Labor Law  
 3. Art. 18 of the UAE Labor Law  
 4. Art. 15 (2) of the Implementing Regulations.  
 5. Art. 15 (4) of the Implementing Regulations.

- an additional 25 %<sup>1</sup> in case of overtime hours during the day, and
- an additional 50 %<sup>2</sup> in case of overtime hours at night.

To the extent that work on public holidays/ vacation days is requested, employers are obliged to grant an additional day off or to pay an additional amount of no less than 50% for overtime hours<sup>3</sup>. Work on more than two consecutive public holidays is prohibited.

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**Practical Tip:** *Agreements with management staff should from the very beginning include the clear understanding that no additional remuneration will be paid for extra work. In case of other employees, the respective employment contracts should explicitly contain the provision that overtime hours will be compensated for only if they have been requested by the employer.*

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## 5. Leave

During his or her first year of employment, the employee is entitled to claim two paid calendar days per month as vacation; this claim, however, comes into existence after the expiry of six months. From the second year onwards, employees must be granted paid vacation of 30 calendar days<sup>4</sup>. Statutory claims for vacation pay do not exist.

Additionally, special leave for pilgrimage to Mecca, pregnant women, mothers etc. are prescribed by law. Art. 32 of the UAE Labor Law, for instance, provides for a maximum of 5 days special leave in case of death of the spouse and 3 days leave in case of death of a close relative (parents, children, siblings, grandparents). Maternity leave, on the other hand, must be granted for a period of 45 days depending on the duration of the employment relationship, (partly) by maintaining the amount of the salary. More details in this respect can be found below under III.9.

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**Practical Tip:** *In the UAE, particular attention must be paid to whether “calendar days” or “working days” are indicated for the annual leave entitlements in the employment contract. The UAE Labor Law is based on the understanding of 30 calendar days for the calculation of annual leave and, as a consequence, weekends are included in the 30 days. If the employment contract speaks of “days” only, the employee should enquire as to the interpretation of the clause and have it modified, if necessary.*

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## 6. Public Holidays

Since 2019 the UAE Cabinet aligned the public holidays granted to the public and private sector and thereby harmonizing the work in these sectors. Previously, the labor law would provide for public holidays; now, it is the UAE Cabinet that announces paid public holidays as detailed below. In individual cases, additional public holidays may be proclaimed.

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1. Art. 19 (2) UAE Labor Law.

2. Art. 19 (3) UAE Labor Law.

3. Art. 28 of the UAE Labor Law

4. Art. 29 of the UAE Labor Law

Number	Public holiday
1 day	Islamic New Year's Day
1 day	Gregorian New Year's Day
4 days	Eid Al Fitr (end of Ramadan)
4 days	Eid Al Adha (feast of sacrifice)
1 day	Birthday of the Prophet Mohamed
1 day	Isra and Al Mi'raj
1 day	Commemoration Day
1 day	National Day

## 7. Incapacity for Work due to Illness

Any incapacity to work due to illness must be reported to the employer within three working days<sup>1</sup>. If an illness is to be notified earlier or must be proven by evidence of sickness, such requirement should be included in the employment contract. During the probation period employees are not entitled to sick leave (but to unpaid leave). After completion of the probation period, employees are, on an annual basis, entitled to continued remuneration in case of sickness to the following extent:

- full remuneration for the first 15 calendar days;
- half of the remuneration for the subsequent 30 calendar days;
- no remuneration in case of sickness days going beyond the aforementioned periods.

In the event that the illness/ incapacity to work is due to the employee's own fault, he or she, shall not be entitled to continued remuneration in case of sickness<sup>2</sup>.

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**Practical Tip:** *It should be noted that the employment relationship cannot be terminated with legal effect during the employee's absence due to illness or leave.*

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## 8. Protection of Young People and Women

Children under the age of 15 years cannot be employed, while older adolescents may be employed under certain circumstances only<sup>3</sup>. Additionally, women may work at night times, only under strict conditions and must not work at places or in positions that poses a danger for them.

## 9. Maternity Protection

Every female employee is entitled to paid maternity leave of 60 calendar days when her child is

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1. Art. 31 of the UAE Labor Law

2. Art. 31 (4) of the UAE Labor Law.

3. Art. 5 of the UAE Labor Law



born<sup>1</sup>. The period of 60 days covers the time prior to and after birth. If the mother is ill due to pregnancy or delivery, she may claim unpaid leave for additional 45 calendar days. Moreover, every mother is entitled to two breastfeeding breaks per day during the first 6 months after her child's birth, which must be regarded as working time and paid for.

A special protection against dismissal, as it is known for pregnant women in other jurisdictions, has been introduced in the new UAE Labor Law. A termination exclusively for reasons of pregnancy or application for maternity leave, is not permitted and will be considered void<sup>2</sup>. A special reporting duty of a pregnant employee towards her employer with regard to her pregnancy does not exist.

## 10. Disciplinary Measures

According to statutory law, misconduct on the part of the employee will result in disciplinary measures. Such measures, as provided for in Art. 39 of the UAE Labor Law, and include the following:

- written notice;
- written warning;
- monetary penalty (deduction from salary not exceeding 5 days' salary per month);
- suspension from work (including salary reduction – for a maximum period of 14 days);
- postponement of gradual salary increases (if practiced in the company; not exceeding 1 year);
- promotion stop (if practiced in the company; not exceeding 2 years);
- dismissal with payment of an end-of-service gratuity.

Prior to imposing any such measure, the employee must obligatorily be heard<sup>3</sup>. Apart from prescribed procedures, certain time limits must be complied with in this context<sup>4</sup>.

## 11. Personnel Files

Companies are obliged to keep employees' records during the employment as well as for a period of 2 years after the termination of the employment<sup>5</sup>. Further conditions, rules and procedure will be regulated by a ministerial decision which is yet to be issued.

## 12. Safety Regulations

The UAE Labor Law provides for several safety regulations to be implemented by the employer in order to safeguard the health of the employees. In this context, the following must be complied with:

- Employer's responsibility in maintaining suitable safety provisions protecting its employees against accidents at work and occupational diseases.

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1. Art. 30 of the UAE Labor Law  
2. Art. 30 (8) of the UAE Labor Law.  
3. Art. 24 of the Implementing Regulations  
4. Art. 24 (4) of the Implementing Regulations.  
5. Art. 13 (1) of the UAE Labor Law

- Imposing regulations on protection against fire and other potential hazards at prominent and clearly visible locations at the place of work. These regulations must be drawn up in Arabic and, if necessary, in another language, preferably English.
- Availability of first aid kits<sup>1</sup>.
- Ensuring prior information to employees about the risks inherent to their tasks.
- Prohibiting the carrying and consumption of alcohol.

### 13. Accidents at Work and Occupational Diseases

Every accident and occupational disease must be reported to the police and the labor department without any delay<sup>2</sup>. Both authorities will then conduct investigations at their own discretion in each case and particularly inquire whether or not one party was at fault in this context. If a fault on the part of the employer can be determined, investigation proceedings by the public prosecutor's office may follow.

If it can be shown that an accident, disease, the incapacity to work or death was completely and deliberately caused by the employee, neither the employee nor his or her relatives will be entitled to request the employer to pay the benefits listed hereinafter. Otherwise, the employer must categorically assume treatment, travel and rehabilitation costs incurred by the employee. An accident at work is defined as an accident occurring at the workplace or during the travel to or from the workplace.

During the period of medical treatment, when the employee is incapable of fulfilling his or her duties arising from the employment relationship, the employer must pay the salary (based on the last gross salary, i.e., basic salary plus allowances) to the employee for six months and half of the salary for another six months<sup>3</sup>. This shall not apply if the employee recovered in the meantime, dies or if his or her occupational disability has been officially established.

In the event of death or a permanent total occupational disability due to an accident at work or an occupational disease, the employee's relatives are entitled to compensation in the amount of 24 monthly salaries based on the employee's basic salary (statutory minimum amount of AED 18,000 / maximum amount of AED 200,000); in case of partial occupational incapacity, the compensation will be determined by means of a schedule.

Against the background of the rather limited number of statutory benefits available in case of work-related incapacity, it is recommended that employees take out additional accident and occupational disability insurances. Employers should also take out additional insurances covering such risks.

## IV. Termination of an Employment Relationship

The termination of an employment relationship is an issue of great importance in the UAE, as is the case in other jurisdictions as well. On the one hand, terminations of employment

1. Art. 22 (1) of the Implementing Regulations.

2. Art. 3 of Cabinet Decision 33/2022.

3. Art. 37 of the UAE Labor Law

relationships, especially those of foreign employees, have residence law-related consequences (termination of the residence and work permit, with the result that a foreign employee must leave the country, unless a subsequent employment can be found), and on the other hand, financial consequences must be dealt with.

Special protection against dismissal according to which a termination is, for instance, ineffective if certain prerequisites fail to be fulfilled has not been provided for in the UAE Labor Law, except for a protection during periods of pregnancy, sickness, or vacation. For this reason, a termination always puts an end to the employment relationship, irrespective of whether it is founded or not<sup>1</sup>. The only issues to be discussed then relate to end-of-service gratuities and/or claims for compensation.

As provided for in Art. 42 of the UAE Labor Law, an employment relationship is deemed to have been terminated when

- the contract expires (see IV.1.);
- both parties agree upon the termination (see IV.2.);
- the contract is terminated by one of the parties; in this case, it must be distinguished between an ordinary and an extraordinary termination (see IV.3.);
- death or permanent total disability of the employee;
- final judgement against the employee with an imprisonment of not less than 3 months;
- permanent closure of the company (see IV.4);
- bankruptcy or insolvency of the employer (see IV.5);
- failure of employee to renew the work permit for any reason beyond the control of the employer.

## 1. Termination due to Passage of Time

The employment relationship automatically ends upon expiry of the term agreed upon in the employment contract unless the contract is explicitly or implicitly extended.

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**Practical Tip:** To avoid a factual extension of the employment relationship, employers should control the expiry dates of employment relationships and, when appropriate, explicitly object to a continuation of the relationship (non-renewal notice).

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## 2. Termination in Mutual Consent

Art. 42 of the UAE Labor Law further provides for the possibility of a termination of the contractual relationship by mutual consent. In this context, the employee must give his or her written approval. Further restrictions do not exist.

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**Practical Tip:** For reasons of legal certainty, it is recommended to conclude a written cancellation agreement explicitly providing for the reciprocal rights and duties with respect to the employee's withdrawal.

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1. With respect to Emirati employees, however, this is applicable only if the termination has beforehand been explicitly approved by the competent employment authority.

### 3. Termination by Notice

Employment contracts may be terminated by the employer and the employee. A difference is made between ordinary and extraordinary terminations. As already mentioned above, a protection against dismissal / right to reinstatement does not exist.

#### a) Ordinary Termination

Employment contracts must now be limited and premature ordinary termination of a fixed term/ limited contract by one party is permitted if the terminating party observes the notice period agreed upon in the contract (no less than one month and no more than three months) and states a legitimate reason for termination.

An ordinary termination which is deemed illegal can trigger compensation claims by the employee against the employer. The compensation amount is limited to 3 months' total salary.

The UAE Labor Law states that a termination by the employer is deemed illegal if the employer terminates the employment relationship due to a complaint filed by the employee with MOHRE or a case with the competent courts which has been ruled in favor of the employee<sup>1</sup>. This differs fundamentally from the previous regulations. Under the old labor law provisions, a dismissal was considered illegal if the reason for termination was not related to the work

#### b) Extraordinary Termination (Dismissal without Notice)

Fixed-term/ limited employment relationships may at any time be extraordinarily terminated without notice for good cause, but only after conducting a written investigation on the matter. As to the employer, the significant grounds are conclusively listed in Art. 44 of the UAE Labor Law and include the following:

- impersonating another person or forging documents;
- joining another company without the required work permit and approval;
- unauthorized absence without permissible reason for a longer period of time;
- malperformance of job tasks despite of a hearing and written warning;
- disclosure of secrets, drunkenness at the working place etc.

The employee is permitted to terminate the employment himself or herself without notice if the employer fails to comply with its contractual obligations or if the employee was physically attacked or threatened by the employer<sup>2</sup>.

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**Practical Tip:** In practice, labor courts place high demands on extraordinary terminations<sup>3</sup>. On the one hand, such demands relate to the severity of the alleged infringements and, on the other hand, to the compliance of formal and time-related requirements which may vary depending on the ground for terminating the contract.

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1. Art. 47 of the UAE Labor Law

2. Art. 45 of the UAE Labor Law.

3. Art. 44 of the UAE Labor Law

## 4. Permanent Closure of Employer

The permanent closure of a company was considered a valid termination reason in the legal practice without being explicitly mentioned as a termination reason in the old labor law. This well-established practice has now been codified in the UAE Labor Law<sup>1</sup>.

## 5. Bankruptcy / Insolvency of Employer

Art. 42 (8)<sup>2</sup> introduced additional grounds for termination, namely insolvency / bankruptcy of the employer or economic or exceptional reasons prevent the continuation of the employer's business. Art. 25 of the Implementing Regulations further details the conditions for both cases. In the first case, a final judgment adjudicating the insolvency / bankruptcy of the employer is required<sup>3</sup>. However, termination on account of an economic or exceptional reason preventing the continuation of the business remains unclear, as they require a decision to be issued by the concerned authority. Which authorities are competent to issue such decisions and on which grounds, remains to be seen.

## 6. Work Ban

Due to the interrelation between immigration and labor matters in the UAE, foreign nationals may be restricted when changing their employer. In certain cases, work / labor bans can be issued against the employee, effectively banning the employee from taking up a new employment in the country. For instance, a work ban can be imposed in cases where the employment relationship has been terminated by the employee during the probation period.

## 7. Obligations upon Termination of Employment Relationships

### a) End-of-Service Gratuity

At the end of the employment relationship (irrespective of which party terminates the contract), employers must pay an end-of-service gratuity to the employee. The amount payable as end-of-service gratuity depends on duration of the employment<sup>4</sup>.

For the first five years of employment the UAE Labor Law provides for an end-of-service gratuity of 21 daily wages per year of employment, always provided that the employee worked for the employer for a minimum period of one year. From the sixth year of employment onwards, the end-of-service gratuity increases to 30 daily wages for each additional year, whereby the total amount to be paid must not exceed an upper limit of two annual salaries<sup>5</sup>. The end-of-service gratuity is also payable in cases of extraordinary termination (dismissal without notice) which constitutes a major departure from the previous legal situation.

The basis of calculation for the end-of-service gratuity is the last basic salary amount and allowances of any kind are excluded from the calculation. In case-law, it is disputed whether the basic salary also includes, for instance, variable income components (e.g., bonuses); this is

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1. Art. 42 (7) of the UAE Labor Law.

2. UAE Labor Law.

3. The requirements are well outlined by Art. 25 (1) of the Implementing Regulations.

4. Art. 51 of the UAE Labor Law

5. Art. 51 (2) of the UAE Labor Law



likely to be the case if they are deemed to be regular salary components. Within the framework of insolvencies, end-of-service gratuities are treated as preferential claims of an employee. End-of-service gratuity is paid on a pro rata basis after completion of one year of employment if the employee leaves the company during the year.

## b) Repatriation Costs

- After termination of the employment relationship, the employer is required to pay the employee's return flight or travel to the latter's home country or to another country agreed upon. Exceptions from this rule apply if and when the employee commences a new job in the UAE or if the employee is responsible for the termination of the employment relationship. In the event that the employer has made accommodation available for the employee, the latter is obliged to vacate such accommodation within 30 days after termination of the employment relationship.

## c) Compensation in Case of an Illegal Termination

The employer is liable to pay compensation to the employee if the employment relationship is terminated without observing the legal requirements (see section IV.3.a above). The amount of compensation to be paid to the employee cannot exceed three monthly salaries and the exact amount is at the discretion of the competent court.

## 8. Job Reference

After termination of the employment relationship, the employer must – upon the employee's request – issue a job reference, documenting commencement, end and entire duration of the employment relationship, the kind of activities performed, the most recently paid salary and, when appropriate, including any additional remarks<sup>1</sup>.

## 9. Enforcement of Rights

### a) Choice of Law and Dispute Resolution

The employment relationship is mandatorily governed by the UAE Labor Law. This is also categorically applicable to the UAE free zones unless such areas provide for other and/ or additional regulations.<sup>2</sup>

Furthermore, local authorities and labor courts are exclusively competent for disputes between the parties of an employment relationship. According to UAE law, deviating choice of forum clauses and arbitration clauses are not permitted.<sup>3</sup>

### b) Legal Disputes

Prior to filing a labor law action, the following practical considerations must be taken into account:

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1. Art. 13 (11) of the UAE Labor Law
  2. The two large UAE financial free zones in Dubai and Abu Dhabi, DIFC and ADGM, respectively, are subject to completely independent labor law regulations, fully substituting the UAE Labor Law.
  3. DIFC and ADGM, however, have their own labor courts competent for disputes between their employers and the latter's employees.

It is highly recommended to make attempts for reaching an amicable solution, because the monetary amount in dispute often fails to justify the costs arising in case of judicial proceedings. Such attempts should be documented in writing in order to be able to prove them in case of a legal action.

If an amicable solution cannot be achieved, a request must be filed with the 'Labor Dispute Committee' (LDC) of the labor department in the respective Emirate prior to being permitted to initiate legal proceedings<sup>1</sup>.

The LDC is an official mediation body. The written request that may be filed with the competent LDC either by the party itself or by an authorized lawyer must be drawn up in Arabic and should include a detailed description of the factual situation.

Monetary amounts in dispute must be calculated in a comprehensible manner. Copies of both the private written contract and the official employment contract should be enclosed to the request.

It should be noted that the request must be filed with the LDC within one year after the date when the claim in dispute became due (e.g., payment), as it is otherwise considered time-barred. Proceedings before the LDC must mandatorily be held prior to filing an action; failing which, the action will be inadmissible.

It should be noted that the request must be filed with the LDC within one year after the date when the claim in dispute became due (e.g., payment), as it is otherwise considered time-barred<sup>2</sup>. Proceedings before the LDC must mandatorily be held prior to filing an action; failing which, the action will be inadmissible.

In the Emirate of Dubai, labor law proceedings filed by employees are exempted from court fees up to a value in dispute of AED 100,000<sup>3</sup>. If the opponent fails to succeed, the court will determine the fees in its decision. In case of labor law proceedings with a value in dispute of more than AED 100,000, court fees amounting to 5% of the value in dispute will apply (capped at AED 20,000). The above, however, does not apply to lawyer fees, if any.

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1. Art. 54 of the UAE Labor Law.

2. Art. 54 (7) of the UAE Labor Law.

3. Art. 55 UAE Labor Law.



## **C. Assignment of Employees to the United Arab Emirates**

Due to their education, training and qualifications, foreign employees generally enjoy a high reputation in the UAE. When hiring foreign nationals for positions in the UAE, employers must consider the employee's home country regulations in case the employee is assigned to a new position in the UAE. Such assignments are usually the case within larger corporations which have offices in various countries: the corporation may employ someone in a country and may subsequently wish to assign the employee to a new position in the UAE. In such cases, besides mandatory UAE labor regulations, the employer would also have to take into consideration tax, social security, and labor law aspects of the country where the employee is currently employed. Consequently, expert advice should be sought.

## **D. Regulations under UAE Social Security Law**

### **I. Health Insurance**

Pursuant to Art. 13 (8) and (9) of the UAE Labor Law, the employer is obliged to make medical care available to the employee according to statutory standards. At present, there is no uniform health and/or health insurance system in the UAE. For this reason, the various Emirates are likely to develop independent systems in order to manage the extremely increased needs in this field.

Leading the way, the Emirate of Abu Dhabi fundamentally changed the former statutory

healthcare provisions (health card) by means of Abu Dhabi Law No. 23 of 2005<sup>1</sup>. Since the beginning of 2007, Abu Dhabi obligates employers to insure its employees (and their families with up to three children under the age of 18) with a health insurance provider<sup>2</sup> licensed by the Health Authority Abu Dhabi (HAAD).

At the end of 2013, the government of the Emirate of Dubai followed suit and introduced a mandatory health insurance requirement by virtue of Dubai Law No. 11 of 2013; the insurance requirement was introduced in stages and has been effective for all companies in the Emirate's territory and its free zones since 1 June 2016.

The cost for health insurance must be borne by the employer and presenting proof of insurance is a prerequisite for the application and renewal of residence visas.

In all other Emirates, employers are only required to obtain a 'health card' that can be obtained from government hospitals. The coverage provided by health cards is limited and the conclusion of an additional private health insurance is usually recommendable.

## II. Other Social Security Schemes

Until now, a statutory unemployment insurance for foreign employees did not exist, as foreigners were thought not to be in need of such an insurance as they would subsequently lose their residence permit upon termination of their employment and would have to leave the country. However, in May 2022, MOHRE has announced the introduction of an unemployment insurance scheme for national and expat workers, covering up to 60% of their last basic salary until a new job has been found<sup>3</sup>. Recent news reports have given certain indications on the implementation of this unemployment insurance scheme, which is expected to come into force in 2023. However, detailed information on the conditions and procedures have not yet been announced..

Emirati employees working in the private sector fall within the scope of applicability of the State Pension and Social Security Law<sup>4</sup> dealing with the old-age pension of Emirati employees as well as with their coverage provided for in case of occupational disability, accident, and death. For this purpose, the employer must pay monthly contributions to the state pension fund in an amount of 15 % of the net salary of the Emirati employee, 2.5 % of which are, however, currently borne by the state. Another 5 % must be borne by the employee.

A statutory accident and occupational disability insurance does not exist. In the event of an accident at work, however, the employer must bear the cost for the employee's treatment, travel and rehabilitation costs resulting from the accident.

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**Practical Tip:** *It is advisable to provide for sufficient coverage for the risk of occupational disability – particularly in dangerous fields of work. Corresponding insurances (workmen compensation insurances) for employees are recommended; they are compulsory in some free zones.*

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1. Amended by Abu Dhabi Law No. 22/2018.

2. The list of health insurance providers licensed by the Health Authority Abu Dhabi currently consists of 41 insurance providers.

3. Federal Decree Law No. 13 of 2022

4. UAE Federal Law No. 7 of 1999 amended by Federal Law No. 07/2007.





## **E. Human Resources Management in the United Arab Emirates**

### **I. In General**

The economic situation of the Emirates offers great potential for employees all over the world, with the development of their professional career, an attractive salary, professional experience abroad and a high standard of living representing the major motivators for immigrating to the UAE. The emerging economy and the community of people from different cultures create great dynamics and make the UAE market exciting and vibrant.

### **II. Human Resource Management Challenges**

HR decision-makers face different challenges regarding workforce management in the United Arab Emirates.

- Succession planning:

The main work-related challenge is succession planning. Many HR Managers struggle to create a succession plan that works well for their company and its employees. Effective succession planning is critical for companies to ensure success, accomplishments of business goals and continuation of their business to function with as little disruption as possible. Succession planning presents the biggest challenge followed closely by talent retention.



- Talent Retention:

Replacing an employee is expensive and has a big impact on the work colleagues and business clients that remain. Workloads increase and can lead to frustration and overworked employees who are not able to perform to their best capability. Therefore, it is important to develop retention strategies to keep employees happy and prevent them from looking for other job opportunities elsewhere.

- High fluctuation:

Due to the emerging economy, project transactions and the mix of nationalities, the UAE is a dynamic labor market. This is often accompanied by a high fluctuation; frequent job changes are common. To prevent this and to retain key talent qualitative training, education and career opportunities need to be provided.

- Training and career opportunities:

Training and career development programs are necessary to cope with increasing international competition throughout the region. Learning and development programs need to focus more on individual requirements rather than large groups. Companies need to form a budget and quickly adjust to a changing workforce and update their strategies to accommodate the younger, digitally connected generation entering the global workforce. Focusing on diversity and creating a work environment that engages people and establishes a culture of collaboration, innovation and empowerment remains a significant challenge for the future. The company vision and mission need to be regularly communicated to the team to increase brand identification.

- Employee value and rewards:

Valuing and rewarding employees combined with creating a work-life balance is important to retain key talent. Regular assessments of employee's salary packages and additional benefits are crucial for a good employee relationship. Departers' HR & Salary Report 2022/23<sup>1</sup> is a good indicator of salary packages and benefits in the region. Increased living costs are also leading to higher salary expectations. This paired with limited HR budgets can become a big challenge for the companies.

- Finding key talent:

Another ongoing concern is finding key talent. When looking for the right candidate, many platforms may be used for finding a candidate. In the long-term, every company should aim at establishing its own talent pool. Primarily in the Emirates, HR decision-makers as well as applicants count on internet presence and social media, active networking and contact to HR & recruiting consultants. Due to the great number of applicants desiring to live and work in the Emirates, many HR decision-makers used to receive a multitude of job applications. As a result of the "all-rounder mentality" of many applicants, however, many applications fail to match expectations, something which, in turn, leads to a negative response rate on the part of the companies. HR decision-makers should also check the submitted documents as to their authenticity, because manipulated data or certificates or even pretended employment periods are not uncommon.

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1. <https://departer.de/en/download-hr-salary-report-2022-23-for-uae/>

### III. New UAE Visa Rules 2022

The UAE is striving to become an ideal destination to live, work, study and invest. The authorities have implemented new UAE visa regulations. The new visa rules offer great opportunities for the job market, as job seekers, investors, freelancers, and entrepreneurs can enter the UAE without a sponsor. Consequently, they can remain in the country longer since employment will no longer be tied to employer sponsorship. Furthermore, the UAE is catering to the new hybrid working model with its new remote working visa. This visa is valid for one year and can be renewed for a further 12 months.

### IV. Emiratization

The Emiratization is another factor HR decision-makers need to keep in mind. The government has started an initiative to increase the number of Emirati workers in public and private sectors (Emiratization).

The aim is to increase the contribution of Emirati workers to economic growth and acquisition of expertise, and to initiate a shift from public to private sector jobs.

According to the UAE government, mainland registered private sector employers with more than 50 employees will now be required to increase the percentage of Emirati employees by a minimum of 2% annually for skilled occupations with the aim of achieving 10% Emirati nationals in their workforce by 2026.

Employers must increase their Emirati workforce by at least 2% for skilled occupations by the end of December 2022 to avoid financial penalties.

This initiative will shape the workforce significantly as companies need to reshape their employment plans and invest in hiring Emirati nationals.

### V. Hybrid Working Model

The Covid-19 pandemic has significantly affected the way companies and their employees work. A hybrid working model allows employees to work at the physical workplace and remotely from home or another workspace. Hybrid working models will continue to play a significant role and companies will regularly need to clarify which ones are acceptable without compromising daily business, cooperation, and workplace norms. The reasons most often mentioned in favor of hybrid working are:

- A better work-life balance for employees
- Reduction of office costs for companies
- More flexibility

Hybrid working is a global discussion that is not suitable for all industries. Employees working in blue-collar jobs like construction, manufacturing, nursing, retail, and food service are typically required to be on-site. Companies that do not evolve now will simply have to evolve later as the flexible working model is here to stay

## VI. Digitization of HR processes

The pace of global digitization changes HR requirements and companies are advised to adapt their processes to keep up with these new recruitment standards. More IT-related workshops and training should be provided to keep up with digitization, and special in-house HR practices need to be developed to keep up with global digitization practices. The UAE's intention of becoming the digital hub of the Middle East region means digital growth, increasing automation and artificial intelligence will continue to provide promising job opportunities in the future. Investing in local employer branding (e.g., company websites with a clear vision regarding the regional strategy and local career opportunities) can help a future employer stand out from the competition and create a better recruitment experience for the candidate. Social recruiting - recruiting candidates through social platforms - remains important and businesses can implement social recruiting strategies to increase their external digital company presence.

## VII. Salaries and Additional Benefits

Depending upon qualification, nationality, experience, employee history, industry and negotiation capacity of the job applicant, salaries paid in the Emirates vary greatly. A minimum wage or standardized salaries do not exist in the United Arab Emirates. UAE salaries cannot be compared with German salaries because the framework conditions such as taxation, costs of living etc. are fundamentally different.

UAE's common salary packages cannot be compared with other labor markets, which is partly a result of the high number of expatriates. A salary package is generally divided into three parts:

1. Basic salary (approx. 60 %)
2. Housing allowance (approx. 25 %)
3. Transportation allowance (approx. 15 %).

Furthermore, there are some additional benefits. Per year, a home flight ticket used to be offered, most commonly in form of a lump sum payment to avoid the administrative effort of booking. Some companies also used to pay (hereinafter listed in the order from frequently to rarely):

- Bonuses
- Company car
- School fees (primarily for employees on management level, averagely for two children in annual amounts of AED 39,000 for each child)
- Life insurance
- Accident insurance
- Pension scheme

In the following, salary ranges for key functions are listed. These data were extracted from the HR and Salary Report 2022/23 drawn up by Departer – The German Headhunter – in cooperation with the German Emirati Joint Council for Industry and Commerce (AHK) in Dubai. In this context, both employees and HR decision-makers in German, Austrian and Swiss companies in the UAE were, inter alia, interviewed on the topic of salary structures in the UAE. The report includes participants of all nationalities and professions living in the UAE and working with companies from German-speaking countries. The survey covers employees and HR decision-makers of various industry sectors, nationalities, age groups and career levels.

Salary amounts are shown in thousand dirhams per months and include the basic salary as well as allowances for housing and transport costs. Special benefits and bonuses have not been taken into account.

Salary range in AED (1 = 1,000) per month

## Accounting & Finance

Role/Seniority	Up to 5 years	5-10 years	>10 years
Finance Director	-	51 - 62	>62
Finance Manager	29 - 32	32 - 47	>47
Financial Controller	26 - 30	30 - 45	>45
Internal Auditor	16 - 20	20 - 25	>25
Chief Accountant	11 - 16	16 - 25	>25
Business Analyst	11 - 17	17 - 25	>25
Accountant	9 - 13	13 - 19	>19

## Human Resources

Role/Seniority	Up to 5 years	5-10 years	>10 years
HR Director	-	45 - 60	>60
HR Manager	22 - 28	28 - 39	>39
Compensation and Benefits Manager	15 - 19	19 - 26	>26
HR Assistant	10 - 15	15 - 19	>19

## Information Technology

Role/Seniority	Up to 5 years	5-10 years	>10 years
Chief Information Officer	-	55 - 69	>69
IT Director	-	47 - 58	>58
IT Manager	16 - 23	23 - 35	>35
Software Developer	12 - 16	16 - 25	>25
IT Systems Administrator	12 - 15	15 - 22	>22

## Legal

Role/Seniority	Up to 5 years	5-10 years	>10 years
Head of Legal	-	55 - 68	>68
Legal Counsel	19 - 26	26 - 37	>37
Legal Assistant	10 - 15	15 - 21	>21

## Management

Role/Seniority	Up to 5 years	5-10 years	>10 years
Chief Executive Officer	-	65 - 80	>80
General Manager / Managing Director	-	59 - 75	75
Chief Financial Officer	-	59 - 73	>73
Chief Operations Officer	-	58 - 72	>72

## Administration

Role/Seniority	Up to 5 years	5-10 years	>10 years
Office Manager	19 - 25	25 - 32	>32
Executive Assistant	17 - 24	24 - 30	>30
Personal Assistant	12 - 18	18 - 25	>25
Administration Assistant	7 - 10	10 - 15	>15
Receptionist	6 - 9	9 - 13	>13

## Marketing

Role/Seniority	Up to 5 years	5-10 years	>10 years
Marketing Director	-	42 - 55	>55
Marketing Manager	22 - 26	26 - 35	>35
Product Manager	18 - 24	24 - 32	>32
Brand Manager	14 - 24	24 - 32	>32
Social Media Manager	11 - 15	15 - 19	>19
Marketing Assistant	10 - 14	14 - 18	>18

## Manufacturing & Engineering

Role/Seniority	Up to 5 years	5-10 years	>10 years
Operations Director	-	49 - 60	>60
Technical Director	-	48 - 57	>57
Project Director	-	47 - 58	>58
Commercial Manager	35 - 43	43 - 53	>53
Production Manager	30 - 38	38 - 46	>46
HSE Manager	24 - 30	30 - 38	>38
Operations Manager	23 - 30	30 - 38	>38



Quality Manager	20 - 25	25 - 30	>30
Project Manager	19 - 23	23 - 35	>35
Technical Manager	19 - 24	24 - 33	>33
Workshop Manager	18 - 24	24 - 31	>31
Civil Engineer	16 - 22	22 - 28	>28
Site Manager	15 - 20	20 - 26	>26
Design Engineer	11 - 15	15 - 21	>21

## Supply Chain & Logistics

Role/Seniority	Up to 5 years	5-10 years	>10 years
Supply Chain Manager	26 - 32	32 - 41	>41
Procurement Manager	24 - 30	30 - 40	>40
Logistics Manager	20 - 26	26 - 30	>30
Trade Lane Manager	19 - 23	23 - 29	>29
Warehouse Manager	10 - 15	15 - 20	>20
Logistics Coordinator	8 - 12	12 - 15	>15
Procurement Coordinator	8 - 12	12 - 15	>15

## Sales & Services

Role/Seniority	Up to 5 years	5-10 years	>10 years
Sales Director	-	52 - 62	>62
Service Director	-	52 - 62	>62
Country Manager	36 - 42	42 - 51	>51
Branch Manager	32 - 39	39 - 46	>46
Regional Sales Manager	28 - 32	32 - 43	>43
Area Sales Manager	24 - 28	28 - 39	>39
Business Development Manager	23 - 28	28 - 38	>38
Sales Manager	21 - 25	25 - 34	>34
Key Account Manager	21 - 27	27 - 34	>34
Service Manager	19 - 24	24 - 30	>30
After Sales Manager	18 - 24	24 - 29	>29
Customer Service Manager	18 - 21	21 - 26	>26
Sales Engineer	11 - 15	15 - 19	>19
Service Engineer	10 - 13	13 - 16	>16
Sales Executive	8 - 11	11 - 15	>15
Inside Sales Coordinator	8 - 11	11 - 13	>13
Customer Service Executive	8 - 10	10 - 13	>13



## About Us

### SCHLÜTER GRAF Legal Consultants

SCHLÜTER GRAF is a leading corporate and commercial law firm with a rich history. Its German roots date back to **1946** and its presence in the Middle East was established in **1995**. The firm maintains an extensive network of **offices** and co-operations, covering Germany, the jurisdictions of the Middle East, Northern and Eastern Africa as well as Emerging Markets, in particular, Ethiopia and Pakistan.

The firm advises institutional clients, multinational corporations, SMEs, and individuals from **all sectors and in all areas of local and international law**. We specifically cover all areas of corporate and commercial law, including corporate structuring, agency / distribution networks and contracts, compliance, employment, localization, trademarks, tax, securities as well as construction and infrastructure projects.

The diverse team of qualified **lawyers** and staff at SCHLÜTER GRAF are from different jurisdictions and speak Amharic, Arabic, Catalan, English, Farsi, German, Hindi, Russian, Spanish, Urdu, and Tagalog, enabling the firm to advise and assist clients across borders from a single point of contact.

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## Departer – The German Headhunter

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