

LEXIS MIDDLE EAST HR ALERT

ليكسيس الشرق الأوسط لشؤون الموظفين

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October 2024

TRENDSETTER WORKING HOURS

Approaches being taken in the UAE to reduced working hours

TRANSFORMING TALENT

Ashutosh Sinha of Seintiv Talent Solutions

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Mental Health

ROUND-UP OF LEGAL AND BUSINESS DEVELOPMENTS IMPACTING HR IN THE MIDDLE EAST

READY TO RETIRE?

The new Saudi Social Security Law





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The Lexis Middle East Law Alert magazine is produced by the Lexis Middle East Law online legal and business research service. To find out if you qualify to be added to our regular circulation go to: www.lexismiddleeast.com

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LIFE AFTER WORK

The average age of the population in the GCC is expected to increase significantly by the end of the century. At present the median age of the population in the GCC is lower than in many parts of the world - just 32. However, by 2100 that median age will have risen to 51. Therefore, it is perhaps not surprising that legislators across the region have recently been looking at putting reforms in place which tackle pension provision and retirement.

Last year Oman issued legislation on what it called Social Protection which included bringing 11 different pension schemes under one national scheme which had improved benefits and extended coverage. We also saw a whole host of laws being issued in the UAE on the subject, including Federal Decree-Law No. 57/2023 and a special awareness scheme called 'Know Your Law' being launched by the General Authority for Pensions and Social Security who were keen for workers to understand their personal entitlements. One of the key features in that law was that different rules applied to new joiners to the scheme than they did to existing members.

This year that trend has continued. What we are seeing both in Qatar where in May Qatar Cabinet Decision No. 11/2024 On Conditions for Early Retirement was issued and in Saudi is a focus on retirement age and early retirement entitlement where the key factors are age, minimum contributions to the scheme, continuity of service and actual service.

In this issue we focus on changes to the pensions regime in Saudi Arabia which were issued over the summer in Saudi Arabia Cabinet Decision No. 1022/1445 On the Approval of the Social Security Law. As was the case last year in the UAE going forward different rules and entitlements will apply to those who contributed to earlier schemes and younger people who are only just starting to contribute so it is vital employers and their employees understand those differences.

Claire Melvin - Editor

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READY TO RETIRE?

Zahir Qayum of Mohammed Ayedh AlShahrani Law Firm explains how retirement in Saudi is changing following the new Social Security Law, Saudi Arabia Cabinet Decision No. 1022/1445.

“A new Social Security Law (Saudi Arabia Cabinet Decision No. 1022/1445) has been issued in Saudi Arabia,” states Zahir Qayum. “It applies exclusively to new employees joining the public and private sectors. A number of exemptions apply to existing subscribers and contributors to the social insurance schemes, under the Civil Retirement Law (Saudi Arabia Cabinet Decision No. 939/1393) and the Social Insurance Law (Saudi Arabia Cabinet Decision No. 199/1421).”

“For example, Saudi Arabia Cabinet Decision No. 1022/1445 will not apply to those who have already made contributions under the existing social insurance system at the time it came into effect and have not yet been compensated under it. Additionally, it will not apply to retired people who are already drawing pensions from the existing social insurance schemes.”



Zahir Qayum
Legal Director,
Mohammed Ayedh
AlShahrani Law
Firm

“Saudi Arabia Cabinet Decision No. 1022/1445 came into effect on the date following its publication on 12 July 2024.”

KEY CHANGES

“Saudi Arabia Cabinet Decision No. 1022/1445 has introduced a number of significant changes,” Qayum states.

“For example, the statutory retirement age in Saudi Arabia has now been raised to 65.”

“Individuals will now be entitled to a pension if their contribution period is not less than 180 months. It will also be possible for them to retire early at 55 if they have at least 360 months of contributions.”

“Another significant change is the gradual increase by 1% a year in the contribution rates for pensions, from one month after a year has passed from the date Saudi Arabia Cabinet Decision No. 1022/1445 comes into effect, so that the total combined contributions employers and employees are required to pay will be increased to 18% to 22% of the employee’s contributory wage.”



© Getty images/Stockphoto

PREVIOUS LAWS

“The provisions of Saudi Arabia Cabinet Decision No. 939/1393 and Saudi Arabia Cabinet Decision No. 199/1421 will continue to apply to individuals who meet specific criteria,” Qayum states. “They will need to have prior subscription periods of less than 240 months and have not reached the age of 50 Hijri years on the date Saudi Arabia Cabinet Decision No. 1022/1445 comes into effect.”

PENSIONS AGE

“The legal age for pensions entitlements which applies to these individuals under the previous schemes will also depend on their current age,” Qayum adds. “For those who have not reached 29 Gregorian years of age at the time Saudi Arabia Cabinet Decision No. 1022/1445 takes effect, the age for pension entitlement will be 65 Gregorian years (the same age as under the new law). However, for those aged 29 years or older when the law takes effect, the pension entitlement age will be determined by a table with a sliding scale.”

“This sliding scale will begin at 64 years and eight months for those aged between 29 to 30 years, but

RELEVANT LEGISLATION

Article 20 of Saudi Arabia Cabinet Decision No. 1022/1445

If a non-occupational disability occurs and the Contributor is not engaged in work subject to the Law’s provisions, and the Contributor’s period of contribution qualifies for the pension entitlement as stipulated in paragraph (2) of Article 16 of the Law, the Contributor shall be entitled to a pension according to the provisions of paragraphs (1) and (2) of Article 17 of the Law

(Source: Lexis Middle East LawL)

will reduce to 58 years and four months for those aged between 48 to 48 years and 6 months.”

PENSION CONTRIBUTIONS AND CALCULATIONS

“Saudi Arabia Cabinet Decision No. 1022/1445 has raised the retirement age for all new scheme joiners to 65 Gregorian years,” Qayum states. “The Saudi state pension scheme will remain the exclusive entitlement for Saudi nationals who are eligible for pension payments from the age of 65. However, pension

OTHER BENEFITS IN CABINET DECISION NO. 1022/1445

The Occupation Hazards and Additional Compensation Branch

This covers medical costs and compensation for a work injury during work or because of it and occupational illnesses.

Maternity Compensation

This covers maternity leave and pay before and after birth.

Unemployment Insurance

This covers contributions and insurance payments when an employee becomes unemployed.

contributors may be entitled to payments from 55 years of age if they have completed a pension contributions period of a minimum of 240 months.”

“Under the new system, the pension entitlement under the Saudi Arabia Cabinet Decision No. 1022/1445 regime will be calculated by multiplying by 2.25% the average of the highest contributory wage for 180 months of contribution periods.”

“It will not be possible for the pension paid to exceed 100% of the average but the Board of Directors for the General Organisation of Social Insurance may at their discretion add benefits if they deem appropriate,” Qayum explains.

“Saudi Arabia Cabinet Decision No. 1022/1445 also sets out different entitlement calculations for contributors who continue to work after retirement age or who

retire before retirement age but have contributed for a minimum of 30 years and subsequently decide to return to work. Different calculations also apply to pensions for contributors who have suffered a non-occupational disability.”

CONTRIBUTIONS

“Saudi Arabia Cabinet Decision No. 1022/1445 sets out provisions on how to deal with those who have started making contributions prior to the new law coming into effect but have not yet reached retirement age or have not yet made sufficient contributions to qualify for a pension,” Qayum states.

“These provisions deal with the number of contributions they must make and what would be their retirement age based on the contributions they have made. There is a table that shows how contributors will be treated in both cases.”

ASSESSING IMPACT

“A committee will be formed made up of members from the Human Resources and Social Development Ministry, the Finance Ministry, the Economy and Planning Ministry, and the General Organisation for Social Insurance who will look into any potential inconsistencies in the way this new law is treating retirement age, benefits under the old civil retirement law and social insurance law, and maternity and post-partum leave which are also covered in this law”, Qayum adds. “It will propose amendments on how to address these inconsistencies.”

“Although, the changes brought in by this legislation are wide ranging it is good to see room has been made for further clarifications, amendments and regulations to be issued once the General Organisation for Social Insurance and other relevant government bodies have had a chance

to review this law, existing regulations and made decisions on how to proceed in the future.”

LIKELY IMPACT

“One of the most significant changes brought in by this new law is that for the first time, the Saudi social insurance system will be the same for employees who work in the public and private sectors who are new joiners to the scheme from the date of Saudi Arabia Cabinet Decision No. 1022/1445,” states Qayum.

“In practice, there will be no changes for employees who are at least 50 Hijri years of age and have 20 or more years of insured employment as a result of this law,” Qayum continues. “However, Saudi Arabia Cabinet Decision No. 1022/1445 has introduced a number of changes which will have a particular impact on younger employees who as a result of the increase in retirement age from 58 to 65 Gregorian years will now be required to work longer.”

“In addition, there are now additional restrictions on early retirement,” Qayum adds. “This option will now only be available to employees who are at least 55 and have also made social security contributions for 30 years. Previously, there was no minimum age for early retirement in Saudi Arabia, and it was possible after any employee had 25 Hijri years’ worth of contributions.”

“Where an employee had previous insured employment but is under 50 Hijri years of age and has also completed less than 20 years of contributions as of 3 July 2024, the normal retirement age will increase by four months per year and the early retirement age will increase by 12 months per year from 2025.”

“Another change under the new law is that employees who have no previous insured employment will accrue benefits at a slower rate than was the case previously,” Qayum explains. “This is because retirement benefits are now being calculated at a reduced rate of 2.25% times the average monthly covered wage over the employee’s final two years of employment, multiplied by the number of years of insured employment rather than the previous rate which was 2.5%.”

“The increase in pensions contributions from 18% to 22% will mean employers face higher staffing costs and employees have less take-home pay.”

“However, on a more positive note Saudi Arabia Cabinet Decision No. 1022/1445 also now entitles eligible employees to longer maternity leave, as this has increased from ten weeks to three months,” Qayum states. “Employers will also be pleased to note that the responsibility for paying maternity leave pay will now be transferred from the employer to the social security scheme.”

“This will help reduce staffing costs for employers and could also encourage greater participation of women in the work force.”

“It will be important that employers update their systems to correctly reflect these new age and contribution requirements. They will also want to make sure they can correctly reflect the contribution history of all employees under the old and new schemes.”

Reduced Working Hours

Charles Laubach of Afridi & Angell looks at approaches being taken in the UAE to reduced working hours.

The current standard five day working week dates back to the 1920s when workers in Henry Ford's factory worked 40 hour weeks over five days in order to increase productivity. However, between 2015-2019 a survey in Iceland showed where workers switched from a 40 to a 35-36 hour working week their productivity either remained the same or even improved. Similar results were also found by research in Sweden. As a result, 90% of employees in Iceland now work 35-36 hour weeks. Since COVID reduced working hours have become a hot topic and a number of UAE employees have begun looking at initiatives and pilots in this area. These initiatives tend to see reductions of up to 20% in working hours. Some employers give all employees the same extra day off, e.g. have switched to a three day weekend. While others let employees choose what works best for them which for example might be taking off two afternoons a week. Other option is what is called 'compressed' hours where employees working seven or six hour days instead of the standard eight. However, a key point with all these initiatives is the employee's pay is not reduced. Currently in the Emirate of Dubai most government employees have a four and a half day working week. This approach has been followed since 1 January 2022 when the UAE working week changed from Sunday to Thursday to Monday to Friday. Dubai Government employees (covered by Dubai Law No. 8/2018 On Dubai Government Human Resources Management) which includes personnel of government departments, public authorities and institutions, and government councils and Emirate of Dubai authorities) switched then to a half day on Friday, plus a Saturday and Sunday weekend). At the same time Sharjah Executive Council Decision No. 12/2021 was introduced for Sharjah government employees and their normal working week became Sunday to Thursday from 7:30 AM to 2:30 PM. However, authorities in Dubai have now been looking at potential further steps in this area. On 7 August 2024, the Dubai Government Human Resources Department (DGHR) announced via the UAE state news agency WAM they were launching what they called the 'Our Flexible Summer' initiative. This trialled further reductions of working hours in participating government entities during the summer. During this pilot the working week for


15 participating entities was reduced to four days. Employees covered by the pilot had an extended three day weekend during the summer season from 12 August 2024 until 30 September 2024. However, the list of entities participating in the pilot has not yet been disclosed. The DGHR media centre stated the initiative aligned with the goals in the UAE leadership's ambitious 'Dubai Quality of Life Strategy 2033' which aims to enhance Dubai residents' well-being, and help position the Emirate as a global destination for long-term settlement and work. The DGHR Director General stated the initiative was in line with their efforts to nurture a flexible work environment that promoted employees' work-life balance, in accordance with best international practices. He also hoped it would enhance employees' quality of life and promote sustainable use of government resources. During this period these employees' work week came into line with those of employees of the Government of Sharjah. After the pilot period, the DGHR expects to draw up a report summarising the results, the DGHR's recommendations, and whether going forward this initiative might be suitable for other government entities. It will be interesting to see more information on the scope of this initiative and the impact it has had on employees and overall work productivity. If it is as successful as similar initiatives have been in Iceland and the impact is positive, we may see a regulatory shift towards using it in Dubai for all government entities. We may also see other similar schemes adopted by Emirates apart from Sharjah and potentially also by the federal government. There have also been recent proposals in Bahrain by MPs there to follow the current approach in Sharjah and reports that Saudi could be considering changes to its working week. UAE private sector employers will not be forced to follow this change if it happens. Federal Decree-Law No. 33/2021 which covers private sector employees states workers' maximum normal working hours are eight hours per a day or 48 hours a week with not less than one rest day. However, there is already substantial flexibility on working hours, e.g. under Article 7(1)(d) of Federal Decree-Law No. 33/2021 flexible work is a potential work pattern. This is Work whose working hours or days change according to the volume of Work and the economic and operational variables of the Employer.

NEWS ROUND-UP


COVERING RECENT KEY DEVELOPMENTS – REGION-WIDE

UAE


NEW NAFIS EXEMPTIONS

 Federal Decision No. 5/2024 On the Exemption from Contributions Due to Nafis Fund has been issued. Under this law it will be possible to exempt a facility from total or partial payment of contributions to the Nafis fund if a facility has demonstrated their keenness to support Emirati individuals' competitiveness based on data and reports issued by the Ministry of Human Resources and Emiratisation (MOHRE), or in other cases determined by the Council and Ministry. Where an exemption decision is made it will include the amount, limit and justifications of the exemption, based on the Council and Ministry's recommendation. Facilities wishing to gain these exemptions will have to put in an application with supporting documents, The Council then makes recommendations to the Chairman, who decides within 10 days.

ABSCONDER GUIDANCE

 The Human Resources and Emiratisation Ministry (MOHRE) has confirmed the right of workers against whom a 'complaint of absence from work' has been filed to settle their status and drop the complaint via three procedures. This approach applies to workers with valid or expired work permits. The Federal Authority for Identity and Citizenship, Customs and Ports Security has issued a decision granting a two-month grace period, which began on 1 September 2024, for those who have violated their residency to settle their status and be exempt from financial fines under Federal Decree-Law No. 29/2021. A guide on the 'Grant for Settling the Status of Violators' has been issued by MOHRE and the Federal Authority for Identity and Citizenship, Customs and Ports Security, which explains the required procedures for residency violators settling status. This includes workers with expired residency but also workers against whom a complaint involving absence from work has been filed.

TERMINATION CASES

 The UAE Human Resources and Emiratisation Ministry (MOHRE) has outlined nine specific cases where an employee's contract can be terminated under Federal Decree-Law No. 33/2021 and its implementing regulations. The cases include as a result of a written agreement between the two parties to terminate the contract, if the contract period expires unless it is extended or renewed, and at the request of one party, provided the provisions of the law on termination of the employment contract and the agreed notice period in the contract have been complied with. It is also possible to terminate an employment contract on the death of an employer if the subject of the contract is related to their person. Contracts can also be terminated as a result of the employee's death or their permanent total disability, as evidenced by a certificate issued by the medical authorities. In addition, a contract can be terminated if an employee is sentenced to a final judgment with a sentence which deprives them of their liberty for not less than three months. Permanent closure of the establishment in line with the legislation in force in the country or the bankruptcy or insolvency of the employer or any economic or exceptional reason that prevents a project's continuation are also acceptable reasons. It is also possible to terminate an employee's contract if they do not meet the requirements for renewing their work permit for any reason which is beyond the employer's control.


VISA AMNESTY

 The General Directorate of Residency and Foreigners Affairs in Dubai (GDRFA) has advised those who have overstayed on visit visas and wish to benefit from the two month grace period which began on 1 September 2024 should first get the exit pass and then book flight tickets. However, for those who have overstayed on their resident visa, obtaining an exit pass is quicker, often just a few hours, as the authorities have their

biometric details already in the system. An exit pass is valid for 14 days, which allows an amnesty seekers to get their papers in order either by leaving the country or finding employment. The GDRFA has stated that amnesty seekers must apply in the Emirate that issued their visa, unless they have secured a job in Dubai in which case they should apply there.


ABU DHABI

MATERNITY LEAVE

 The extended 90-day maternity leave for Emirati women working in the private sector in Abu Dhabi came into force on 1 September 2024. The new entitlements will apply to mothers who give birth on or after that date. As part of the initiative, Emirati mothers employed in the private sector will also be able to apply for financial support to complement their salary during their paid maternity leave, if they have the approval of their private-sector employer. In order to qualify for this Maternity Leave Support for Women in the Private Sector Programme, Emirati mothers will have to apply within the first 30 days of their baby's birth. They will need to provide a valid salary certificate, complete bank account details including their IBAN number, a family book issued in Abu Dhabi, and have a no-objection certificate from their employer.


SAUDI ARABIA

RECRUITMENT SUPPORT REQUESTS

 The Saudi Human Resources Development Fund has temporarily extended the period for requesting a recruitment support request to 330 days from adding the employee to the General Organisation for Social Insurance records. However, this extended deadline will only run until 21 October 2024, after which it will revert to the regular 180 days. This temporary change is to enable more private sector employers to benefit from programmes which provide increased job opportunities


to nationals and help to support business growth.

EXITING EMPLOYEES


 The Saudi General Directorate of Passports has stressed that employers are responsible for ensuring that their expatriate workers who have been given a final-exit visa have actually left the country. An employer must check the employee has actually left the country. If they do not know that has happened and do not know where the employee is currently living in Saudi Arabia they must apply to cancel the visa and lodge an absence report with the authorities.

OMAN

LABOUR LAW CRIME RECONCILIATIONS

 Oman Ministerial Decision No. 451/2024 On the Determination of the Rules for Reconciliation and Not Proceeding with Lawsuit Procedures in Crimes Punishable Under the Labour Law has been issued and repeals and replaces Oman Ministerial Decision No. 561/2009. Under this law offenders can avoid a law suit by paying a fine equal to one-quarter of the maximum penalty. The decision explains how the application is made. Applications are decided within 15 days of their submission but if this does not happen the application will be deemed to have been rejected. However, a special fine of 1000 Rials will be payable in order to conduct a reconciliation if the crime comes under Article 143(1) of Oman Sultani Decree No. 53/2023 and a double fine is payable.

WORKER DATA CHECKS

 The Oman Social Protection Fund (SPF) has launched a new electronic portal, www.spf.gov.om, which will make it easier for them to provide services to employers. Since 26 August 2024, employers have been able to verify details of their expatriate workers' data and update their wages through this e-portal. The SPF will then issue monthly contribution invoices based on worker


data and wages listed on the portal. In the case of workers in government units which operate the Mawred/Rio systems the update process is seamless. However, in the case of workers in non-governmental sectors, including the private sector, employers must ensure contracts are registered through the Ministry of Labour system. Employers within non-governmental sectors and government units with a direct connection to the SPF must update their Omani and expatriate workers' wages through the SPF electronic portal promptly whenever there are changes.

KUWAIT

SELF-EMPLOYMENT REGULATIONS

 Kuwait Ministerial Decision No. 168/2024 On the Regulation of Self-Employment Activities has been issued. This decision regulates self-employment activities, micro businesses, and a range of specific activities, including designing websites and insurance consultancy which are detailed in an appendix to the law. These activities can be undertaken without needing commercial premises. However, it is necessary to have a license which is obtained by applying to the Ministry of Commerce and Industry through the One-Window Transaction or through the Sahel Application or Sahel Business Application (611811688), or in any other way approved by a Ministry of Commerce and Industry Decision. There are however a number of additional conditions including an age restriction and the need to have approval from the property owner if the work is to be carried out in a private residence.

WORKER TRANSFERS

 A temporary scheme which allowed domestic workers in Kuwait to transfer to work in the private sector has come to an end. The scheme under Kuwait Ministerial Decision No. 6/2024 On the Regulation of the Transfer of Domestic Workers to the Private Sector ran for two months from 14 July to 12 September 2024. The aim was to address local labour shortages. 55,000

IN BRIEF

Oman: The Omani Labour Minister has issued Oman Ministerial Decision No. 452/2024 temporarily suspending permits for the employment of expatriate workers in specific professions for six months...

Saudi Arabia: The annual seasonal restrictions on working in direct sunlight in Saudi Arabia ended on 14 September 2024...

Saudi Arabia: Applications for early retirement in the education sector in Saudi Arabia were accepted up until 14 September 2024 for those with net service of 25 years or more...

Kuwait: The Interior Ministry has announced it can process driving licences for domestic workers...

UAE: The UAE Federal Authority for Government Human Resources (FAHR) has created a new unified model for employment contracts which applies to all employees in the federal government, across various types of employment and work patterns...

Abu Dhabi: The Abu Dhabi Department of Economic Development (ADDED) has expanded its freelancer licence to cover 30 more activities, including artificial intelligence development and 3D imaging production...

Oman: The Oman Ministry of Labour has added 30 new roles to the list of professions reserved for Omani nationals, most with immediate effect...

Kuwait: A committee has been formed in Kuwait to investigate the disbursement of salaries to former employees who are dead...

individuals were transferred during the period.

QATAR

FLEXIBLE WORKING

 The Qatar Council of Ministers has approved a proposal by the Civil Service and Government Development Bureau to change the rules on working hours. The aim of this proposal is to adopt a flexible system which will suit the needs to the Government sector without compromising work requirements. The new flexible work system and remote work has been scheduled to begin for employees working in government agencies on 29 September 2024. A circular is to be issued with details of the system.

IMMIGRATION FOCUS

RECENT GCC IMMIGRATION AND VISA CHANGES

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STRICTER PENALTIES



The UAE Government has issued Federal Decree-Law No. 9/2024 amending the provisions of Federal Decree-Law No. 33/2021 on the 'Regulation of the Employment Relationship'. The amendments have introduced stricter penalties for labour law violations. The increased penalties apply to a range of violations including employing individuals without first obtaining an appropriate work authorisation for them; failing to provide employees with legitimate job opportunities; abuse of the rules and regulations on work authorisations; and providing fictitious recruitment and Emiratisation information. Companies found to be violating these offences will be subjected to monetary fines ranging from 100,000 to 1,000,000 AED, rather than 50,000 to 200,000 AED. In addition, those fabricating recruitment or Emiratisation statistics will have the financial penalty multiplied by the number of employees involved in the fictitious employment. Companies found guilty of violations may also face criminal penalties in addition to monetary fines, depending on the severity and impact of the infringements. A new process has also been established for resolving labour disputes, which allows cases to be brought before the Court of First Instance where there has been disagreements on a Ministry of Human Resources and Emiratisation (MOHRE) decision.

TEMPORARY LABOUR CARDS



The Ministry of Human Resources and Emiratisation (MOHRE) has suspended the issuing of Temporary Labour Cards (TLC) for certain UAE Residence Permit holders. Previously, companies could apply for a TLC in order to allow an individual to work short-term in a Mainland jurisdiction for a period of up to six months, if that individual held a valid UAE Residence Permit

sponsored by a Relative or they had an Employment Residence Permit issued by a Free Zone, semi-government or government jurisdiction. In the past companies tended to use the TLC option for short-term employment opportunities, such as internships; for short-term project work; where individuals with a Residence Permit sponsored by a relative were offered short-term employment for less than six months; or if an individual who was already employed by a Free Zone entity was seconded to a client site in a Mainland entity. As a result, companies should review their current workforce, assess if there are any employees holding a TLC under this category and strategise any upcoming TLC expiries, as they will be unable to renew or apply for a new TLC. Currently, there is no information about an alternative work permit option the authorities might be planning to put in place for these types of individuals. Potential alternatives open to employers in these situations could include the possibility of applying for a Part Time Labour Card or an Employment Residence Permit to enable their employees to work for their Mainland entity, where the TLC is no longer an option.

QATAR

QATARISATION




His Highness Emir Sheikh Tamim bin Hamad Al Thani of the State of Qatar has issued Qatar Law No. 12/2024 which covers the localisation of private sector jobs in Qatar with the aim of creating more employment opportunities for Qatari nationals. It is expected to take effect six months after its publication in the Official Gazette and will introduce standard employment contract templates for Qatari nationals which will be binding on employers. The Ministry will also develop training, financial and employment schemes for Qatari nationals, and provide 'benefits, facilities and privileges' which will encourage employers to hire Qatari nationals. The new law will apply to entities covered by the nationalisation scheme and to individuals managing private establishments registered in Qatar's commercial register; state-owned, state-participated or private sector commercial





companies operating in Qatar; and private not-for-profit institutions, sport institutions and associations. Therefore it is important privately owned companies familiarise themselves with it and comply with the nationalisation policies once they are in effect.

TEMPORARY WORK VISAS

 The Qatar Ministry of Interior has announced a new requirement for temporary work visas for applicants from Bangladesh, India, Pakistan, Nepal, Sri Lanka and the Philippines. With immediate effect all nationals from these countries which are known as Qatar Visa Centre (QVC) countries who enter Qatar on a temporary work visa must first undergo a medical and biometrics examination in their home country. The sponsoring company of people of these nationalities, operating under mainland jurisdiction must also submit an employment contract (including an employee's salary details) to the QVC as part of the temporary work visa application. Once the visa is registered on the MOI system, an appointment must be scheduled via the QVC portal, and the applicant must visit the centre in their home country for the required medical, biometrics tests and signing of the employment contract (in the case of Mainland companies). As soon as test results are confirmed as clear, the visa is approved by the Ministry of Interior and can be released. It should also be noted that the QVC centre can now undertake eye tests for applicants who wish to apply for a driving licence once they are in Qatar. Plans are also underway to establish new QVCs in Kenya, Indonesia and Tunisia. In the past medical and biometric tests were not required by those applying for a temporary work visa. This new procedure is expected to increase the processing timeline for these applications, and could result in delays for employers looking to bring temporary employees from these countries to Qatar so it will be important for employers to plan to ensure their operations are not impacted.

TURKEY

DIGITAL NOMADS

 The Tourism Promotion and Development Agency at the

Turkish Ministry of Culture and Tourism have announced the Turkish digital nomad visa will be available to nationals from a select list of countries, including: Austria, Belarus, Belgium, Bulgaria, Canada, Croatia, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Russia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Ukraine, the UK and USA. The eligibility requirement for this visa will depend on the applicant's employment, salary, and education level. As a minimum, applicants will need to have a travel document/passport which is valid for at least six months from the date of their arrival in Turkey. They will also need a biometrics photograph, a Diploma or Certification of Degree document which shows they are a university graduate and a document showing they work in the Digital Nomad field. If they work in a company (unless the company is located in Turkey) they will also need to show a contract and if they are self-employed, they will need to show a business contract between them and the company (except for companies located in Turkey). Applicants will also need a biometric photo and a document proving they earn a monthly income of 3,000 USD or 36,000 USD per year. Where an individual applies for this Visa from abroad they must sign up to the online platform and upload the required documents.

If the documentation is insufficient a Digital Nomad Identification Certificate will be issued to the applicant and they will need to visit the closest Turkish Consulate and Embassy to their place of residence to complete the process to obtain the visa.

If an applicant is already inside Turkey they can apply directly to the units at the Presidency of Migration Management under the Ministry of Interior after obtaining a Digital Nomad Identification Certificate. As part of the transitional process, digital nomad visas and preliminary application document issued by the Ministry of Culture and Tourism will not be required for residence permit applications made by foreigners who are currently in Turkey and have a visa, visa exemption or residence permit until 1 October 2024.

Your bridge to global growth

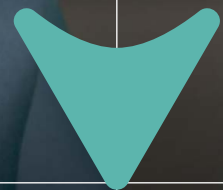
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IMMIGRATION PROFILE

DIRECTOR – VIALTO PARTNERS



Best and Perhaps Better?

Rekha Simpson, Director, Middle East Immigration, Vialto Partners talks about what has been the most interesting immigration development in the UAE and the changes she is most looking forward to.

YOUR BACKGROUND

I am a UK qualified Immigration lawyer who was initially fascinated by how fast paced and evolving the UK Immigration landscape was, and felt individuals and companies needed help and guidance on the application of the Immigration rules and regulations and on support for employees' families. I began working for a number of boutique law firms before leading an Immigration and Employment practice in central London, where I worked with clients of all types. Most of my experience has been of corporate immigration but I am also proud of litigation work at the start of my career, which saw me successfully challenging decisions so families could be reunited and breaches and errors redressed. I was fortunate to work with employees and stakeholders from around the world, and became very interested in Immigration frameworks in other regions. In 2014, I went to work with PwC in Singapore. I later moved to an inhouse role in Singapore, where I gained a huge amount of experience on Global Mobility. One project involved working on a Business traveller programme and as an Immigration Specialist for the Asia Pacific (APAC) region. I worked with HR teams across the region to ensure awareness of immigration rule changes and timely implementation of process changes. I moved to Dubai in 2017 and started working as a Senior Manager with PwC Legal Middle East in 2018. Our Immigration and Global Mobility business was sold to a private equity firm in 2022, when we formed Vialto Partners.

YOUR CURRENT ROLE

As a Director of Middle East Immigration at Vialto Partners, I oversee and work closely with the UAE Immigration team to ensure we provide the highest service standards to our clients. I also work on business development and with Partners, Directors and colleagues in other Middle East locations, and Managers on overall strategy. Part of my role is looking after our team, allocating accounts and urgent/critical projects for our clients. Our main challenges come when there are sudden immigration requirement changes and we need as a team to quickly devise a strategy, assess the impact, advise clients, and help implement these changes. It is important to have the right processes in place, use technology but also add



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the human touch for our clients. Ensuring we have experts in our team, and a senior PRO team, is critical as we can respond to challenges as they arise. In the past our team has worked to help clients mobilise their workforces in times of crisis and having a cohesive, caring team enables us to support our clients and their families with the utmost sensitivity on immigration processes in these situations. The introduction of the Golden Visa programme in the UAE has been one of the most interesting developments I have worked on to date due to the extent this scheme has evolved since it was introduced in 2019. It has widened to include skilled professionals and outstanding talents, and has provided expatriates in the UAE with a long term residence route which did not previously exist, enabling companies to retain talent in the country. Our team has worked closely with the authorities on the changes and on projects for companies who wish to move expatriate employees to Golden Visas. This requires careful planning particularly for employees who have to travel regularly for work and need to remain in the UAE for part of the process.

WHAT'S NEXT?

I am currently looking forward to the roll out of the Green Visa category which will enable employees to secure five year visas to work in the UAE without the usual sponsorship requirements. We are seeing immigration frameworks across the globe adapt to different ways of working. For example, the remote work visa was introduced in the UAE in 2020 and since then other countries have followed. However, countries will also balance this with localisation programmes and ensuring their citizens are prioritised for job roles in certain industries, sectors and roles.

LAW CHANGES

NEW AND PROPOSED MENA LAWS

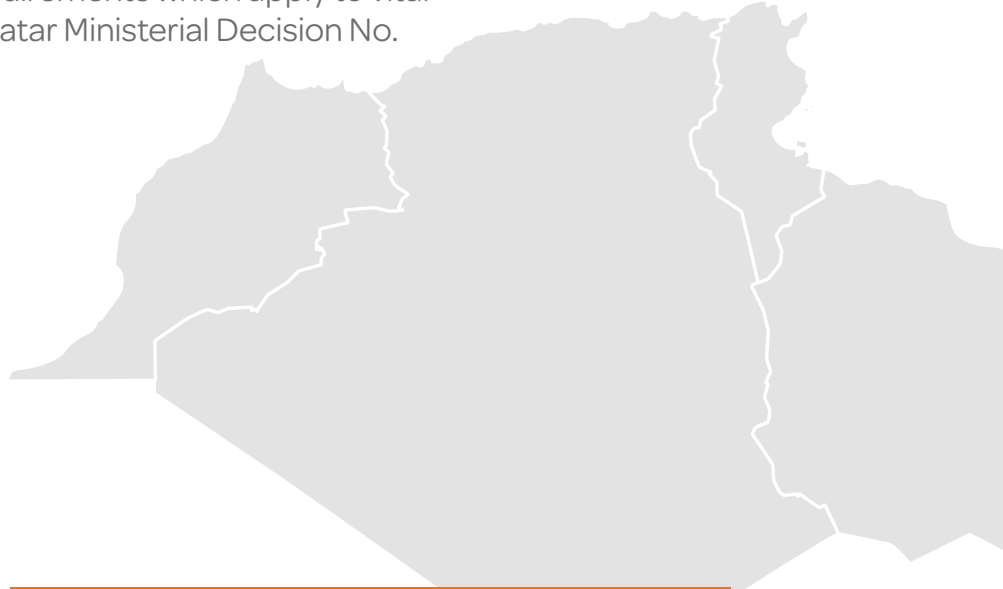
HEALTH AND SAFETY

Luke Tapp and Sarah Khasawneh of Pinsent Masons explain new safety and contingency requirements which apply to vital facilities following the issue of Qatar Ministerial Decision No. 25/2024.

Qatar Ministerial Decision No. 25/2024 On Vital Facilities has been designed to supplement Qatar Law No. 25/2015 on Civil Defence. It outlines specific provisions on the protection and operation of vital facilities. This Ministerial Decision classifies a wide range of facilities, including Emiri establishments, government buildings, military facilities, and key commercial and industrial sites, as being essential infrastructure to which these specific requirements apply. These 'vital facilities' are subject to strict regulatory obligations, including obtaining a Civil Defence certificate for fire safety, maintaining equipment and infrastructure, and appointing qualified safety officers to oversee compliance.

Facilities which fail to comply with these regulations could face severe penalties, including fines ranging from 200,000 to 500,000 Riyals and possible imprisonment for facility owners or operators, along with the potential suspension of the facility.

Qatar Ministerial Decision No. 25/2024's main aim is to ensure the continuity of essential services in Qatar during emergencies or exceptional circumstances. It addresses the operational integrity of critical infrastructure, protecting public interest while also safeguarding the rights and safety of workers in these facilities. By maintaining continuous operation of these vital facilities, Qatari authorities aim to prevent disruptions which could endanger public well-being, security, or economic stability. Qatar Ministerial Decision No. 25/2024 reflects the growing recognition of the importance of infrastructure resilience in a world which is increasingly exposed to natural disasters, technological disruptions, and global uncertainties. This Ministerial Decision requires emergency response teams



QATAR - PENSIONS



Qatar Cabinet Decision No. 11/2024 On Determining the Conditions for Early Pension Eligibility has been issued. This law details the required criteria for eligibility for early pensions in Qatar. Unless the individual has died or become disabled they will need 25 years minimum in contributions and at least 20 years service. They must be at least 50 and if they resign before the age of 50 pension will not be paid until that age. Service is deemed continuous if an individual rejoins an employer under the Social Insurance Law within a specified period, if a non-disbursement application is submitted within 30 days of termination.

to be set up in every vital facility. These teams are responsible for developing and executing contingency plans, including disaster response strategies, and ensuring there is access to emergency exits. In addition, safety officers, who must either be Qatari nationals or those with who have close Qatari relations, are tasked with overseeing the implementation of these Civil Defence measures. They must ensure the coordination of training programmes and disaster evacuation plans, and the provision of any necessary resources which would be needed for effective crisis management. Vital Facilities will also be subject to regular inspections by the Directorate General

of Civil Defence to ensure the necessary contingency measures are in place and the facility is complying with the required safety protocols. The Directorate is also responsible for issuing compliance certificates, which are valid for five years.

The Directorate General of Civil Defence will play a central role in ensuring compliance with Qatar Ministerial Decision No. 25/2024 which includes conducting periodic inspections, granting compliance certificates, and maintaining oversight of safety measures at each facility. It will coordinate with other governmental bodies to ensure there is a unified response during emergencies. In addition, the Ministry

SAUDI ARABIA - LABOUR



Amendments have been approved to the Saudi Arabian Labour Law which are expected to come into effect in February 2025. Key changes include the introduction of the definitions of 'Resignation' and 'Manpower activity'. There have also been revisions to wage and compensation regulations, as well as changes to resignation procedures. Probation period rules have also been clarified and leave entitlements have been updated. The amendments also address termination rights, notice periods, and make specific adjustments to existing legal provisions. As a result 38 articles have been modified, seven removed, and two new articles have been added

ADGM - HYBRID WORK



The Abu Dhabi Global Market (ADGM) Authority has proposed amendments to its current employment regulations, which are expected to come into effect in the fourth quarter of 2024. The proposals include expressly addressing remote and hybrid working, including making these work methods permissible in the ADGM. As part of this change, the ADGM may introduce a new remote and hybrid work permit. Currently, the ADGM regulations are silent on remote and hybrid working. Under the proposals contracts for fully remote employees would need to state if the workers was either based abroad or in the UAE (but outside the employer's premises in the ADGM). It should be noted employers have different obligations for remote employees in UAE, including providing healthcare or a residence visa, which is not required for those based abroad.

BAHRAIN - UNIONS



The Bahraini government has rejected a legislative proposal which would have placed sports and labour unions under the supervision of the Financial and Administrative Audit Bureau. The government argued that the funds of organisations of this type are private, not public funds. Labour unions in Bahrain are granted independent legal personality upon registration with the Labour Ministry and are required to include provisions in their statutes on the preservation of their funds, financial systems, and financial records.

EGYPT - LEAVE



Changes to the Egyptian Labour Law Egypt Law No. 12/2003 are expected. The proposals include an entitlement to increased annual leave for employees who are 50 or above. Maternity leave changes are also being considered which would reduce the minimum length of employment required in order to be eligible.

of Interior and Civil Defence Council will have powers to intervene during disasters, and requisition property and facilities along with the authority if these are needed in order to protect public safety. They will also be responsible for coordinating across ministries and public bodies to enforce the measures in this Ministerial Decision. The obligations in Qatar Ministerial Decision No. 25/2024 will require employers' commitment to substantial infrastructure and operational investments. In addition to obtaining and renewing the necessary Civil Defence certifications, they will have to employ trained safety officers and ensure their

emergency teams are prepared for any contingency. For employees, particularly those in vital facilities, Qatar Ministerial Decision No. 25/2024 introduces an added layer of protection and accountability. Safety officers will need to ensure all civil defence measures are met, including those on providing training programmes to handle emergencies. Workers in these establishments will also be prohibited from leaving their posts during emergencies unless they have obtained specific permission from safety officers, which highlights the critical nature of their roles in safeguarding public services.

CASE FOCUS

Case No DIFC Case No. 1739/2024 issued on 17 July 2024

Jurisdiction Dubai

Court Dubai Court of First Instance

Recommended by Wasel & Wasel

WHAT IS IT ABOUT?

This case involved an employment dispute in Dubai where an employee, had claimed unpaid wages, wrongful termination compensation, and other related benefits. The unique aspect of the case was the employment contract, which included a monthly allowance payable in cryptocurrency, 5,250 EcoWatt tokens in addition to a traditional fiat currency salary. The employee argued the employer had failed to pay their salary for six months, including the cryptocurrency portion which had led to the lawsuit. They also made a claim for arbitrary dismissal as the employer had terminated their employment claiming non-compliance with their work conduct rules after the employee had made the complaint which it was stated had been done without evidence.

This dispute was particularly significant because it tested the boundaries of how cryptocurrency would be treated within the UAE employment law framework.

There had been from a similar case in 2023, where the Dubai Court of First Instance had denied a claim for cryptocurrency remuneration due to the plaintiff's failure to provide a clear valuation of the digital currency. In contrast, this case directly addressed the issue of whether cryptocurrency could be recognised and enforced as a valid form of remuneration under UAE law, making it a pivotal moment in the legal recognition of digital currencies within employment contracts.

WHAT WAS DECIDED?

The Dubai Court of First Instance ruled in favour of the plaintiff, marking a significant shift in the UAE judiciary's approach to cryptocurrency. The court not only recognised the validity of paying salaries in cryptocurrency but also ordered the payment of the due amount in EcoWatt tokens, as had been specified in the employment contract. This decision sharply contrasted with the court's 2023 ruling, where a similar claim involving cryptocurrency was rejected due to the plaintiff's failure to provide a clear method of calculating the value of the digital currency in fiat terms. DIFC Case No. 1739/2024 emphasised that wages were a fundamental right of an employee, as stipulated by Article 912 of Federal Law No. 5/1985, and that employers are obliged to pay agreed wages on the due dates. The court noted the employment contract had clearly outlined the payment in EcoWatt tokens, and as the employer had failed to provide evidence of payment, the court ordered the payment in the specified cryptocurrency rather than converting the amount to fiat currency. The court's reliance on Federal Decree-Law No. 33/2021 and Article 16 of Cabinet Decision No. 1/2022 underlined the legal foundation for this decision, ensuring that the contract's terms were upheld as long as they were not in conflict with public policy or law. In terms of the claims on arbitrary dismissal, Article 43(1) of Federal Decree-Law No. 33/2021 stated, "Either party to an employment contract may terminate the contract for any legitimate reason, provided that the other party is notified in writing and complies with working during the agreed notice period in the contract, which shall not be less than 30 days and not more than 90 days. The party who fails to comply with the notice period must pay the other party compensation called a notice allowance,

even if no harm is caused to the other party by the failure to give notice. The compensation must be equal to the worker's wage for the entire notice period or the remaining part of it.' This pay in lieu of notice was required to be made. There was no evidence the employee had been terminated because they had made the complaint.

WHY WAS IT IMPORTANT?

This case was a departure from traditional norms, signalling a growing acceptance of cryptocurrency in the UAE legal framework, particularly in the employment contract context. It marks a critical step in the legal recognition and integration of cryptocurrency within the employment law framework. This decision is a significant precedent, reinforcing the enforceability of cryptocurrency as a form of remuneration. It shows the UAE courts' adaptability to the evolving financial market. It is a significant departure from traditional payment norms which typically involve fiat currencies. By ordering the payment in EcoWatt tokens as stipulated in the employment contract, the court not only recognised the legitimacy of these type of digital payments but also demonstrated their willingness to adapt to financial innovations. It provides legal clarity and assurance to both employers and employees who agree employment contracts that involve digital currencies and may encourage broader adoption of cryptocurrencies in various sectors in the UAE. It also reflected the UAE's progressive approach to modern financial practices, and the way authorities there are aligning the legal framework to the realities of the digital economy. Finally, it highlights the importance of upholding contractual agreements, even those with unusual provisions, as long as they are clear and mutually agreed upon. It has set a robust legal precedent that could influence future cases involving digital currencies in the UAE and beyond.

Case No Noel v Natalia, DIFC Case No. 055/2024 issued on 18 April 2024

Jurisdiction DIFC

Court DIFC Small Claims Tribunal

Recommended by Dhana Pillai, Cygal Attorneys Ltd

WHAT IS IT ABOUT?

Noel, an employee had alleged that Natalia, their DIFC registered employer had terminated his employment unfairly and failed to fulfil the payment obligations outlined in his Offer Letter. Noel had began working with Natalia on 3 July 2023, under an Offer Letter which had been signed on 26 July 2023 that specified Dubai was his primary work location.

The Employee had also claimed that he had been assured by Mr Noble, the company's Chief Product Officer that he was allowed to work remotely and he provided a screenshot as evidence of these conversations. However, the employee stated despite

fulfilling his employment obligations without incident and receiving no negative feedback, his employment was abruptly terminated on 4 August 2023 after he received an email stating they would not be continuing his employment and considered the offer letter as having been withdrawn. This email had been sent after he had requested payment of his salary. Noel stated he had worked for the company from 3 July until 11 August 2023.

Noel also stated Natalia had not present him with a written employment contract during the seven-day period specified in Article 14 of DIFC Law No. 2/2019. They had not paid the full agreed amount in the Offer Letter upon termination. After repeated follow-ups for payment, the employer had merely offered to pay a third of one month's salary as a 'show of good faith'. Natalia argued Noel's job was reliant on him obtaining an employment visa, which had not happened at the time of termination.

They stated his remote work arrangement was illegal because their Human Resources department had been unaware of his employment until he had demanded salary payment after one month of employment. Natalia also stated Noel had not followed the necessary processes for obtaining an employment contract or returned confidential information after his termination.

WHAT WAS DECIDED?

The court ruled in favour of Noel and ordered Natalia to pay AED 70,000 to him (30,000 AED for unpaid salary from 3 July to 4 August 2023, and 40,000 AED as late payment penalties under Article 19 of DIFC Law No. 2/2019). Natalia's counter-claim for return of confidential information was dismissed as it was confirmed the information had been returned.

The Employer was also required to pay the employee's DIFC Court filing fee of 1,400 AED.

WHY WAS IT IMPORTANT?

This case reinforced how important it is to comply with DIFC requirements on the provision of documentation, such as employment contracts within the required time-scale, as well as how important it is to pay employee's dues in line with the required time limits.

It also shows that just because an employee does not have a formal employment contract in place, it does not mean that terms which have been agreed on will not be enforceable.

In this case, an offer had been made and accepted. The court also looked at employment terms which had been documented through electronic communications. In this case these were Noel's correspondence on LinkedIn with Natalia's Chief Product Officer. The lack of a formal employment contract was irrelevant. This offer letter was treated as a 'contract' and terms had been agreed via LinkedIn. The employer could not simply state it had been withdrawn without paying the detailed obligations.

HR PROFILE

CHIEF HR OFFICER – GLOBAL TALENT ADVISORY



Transforming Talent

Ashutosh Sinha, Managing Partner and Chief Human Resources Officer at Seintiv Talent Solutions explains how a focus on people, culture and performance can transform businesses.

YOUR BACKGROUND

I began my career as a Material Science engineer, graduating from NIT Raipur. I also have an MBA from GIM in India and a diploma in Neuroscience from MIT Sloan. Over the past 28 years, I have worked in a range of industries, including retail, hospitality, consulting, technology, audit, hydrocarbon, and e-commerce and I have experience of working for well known multinationals in the Middle East, India, and the US. Recently, I worked as the CHRO for KPMG Lower Gulf. Prior to which I was the Group Head of HR for Landmark Group for the MENA & SEA region across retail and hospitality businesses. I have also been the Senior Vice President for Reliance Industries and Country HR Head for Deloitte US India. Throughout my career, I have had a proven track record of creating business impact through people, culture, and performance transformation across globally diverse teams.

YOUR CURRENT ROLE

Currently, I am the Managing Partner and Chief Human Resources Officer at Seintiv Talent Solutions, a global talent advisory firm headquartered in Dubai. In this role, I lead the EMEA and APAC region business for Seintiv. Our firm offers a comprehensive suite of HR services to employers, covering everything from recruitment to exit processes, people engagement, retention, career advice, job architecture, leadership assessments, succession, and compensation benchmarking. This holistic approach is vital in the competitive market, where it can mean the difference between merely surviving and truly thriving in business. At Seintiv, we understand effective HR functions are key to driving organisational success. I use my extensive experience to create business impact through people, culture and performance transformation across diverse teams. Our focus is not just traditional HR tasks but on developing robust HR functions that align with business objectives and foster powerful employer brands. In my role, I am able to contribute meaningfully to both individual growth and overall organisational effectiveness.

ACHIEVEMENTS

As an Executive Coach, I am in demand globally from senior leaders for advice on winning career



strategies. I have extensive industry experience as Chief Experience Officer (CXO) and as the author of the best-selling book 'Breakthrough-The Framework for an Inspired Career', which has helped many mid-career executives find new paths. I am an EGF Fellow in Inclusion & Diversity from Columbia University Business School and have been a speaker at the United Nations and other global forums. I am particularly proud of my work on a project that involved transforming leaders for a large regional player, for which I won industry awards and recognition as ET HR Icon of the Year.

EVOLUTION OF HR

There are a number of HR trends and challenges in the EMEA and APAC regions at the moment. One is the increasing importance of employee engagement and well-being, as organisations recognise a motivated and healthy workforce is crucial for driving performance and achieving business goals. This has led to a shift towards more holistic approaches to employee support, including mental health initiatives and work-life balance strategies. Another trend is the increase in digital transformation in HR. Companies are increasingly adopting AI and data analytics to enhance talent acquisition, performance management, and employee engagement. This improves efficiency and helps organisations make more informed decisions about their workforce but these changes come with challenges. The World Uncertainty Index is at an all-time high, and this uncertainty has forced HR to take

PRACTITIONER PERSPECTIVE



Sarah Malik
CEO

SOL International

Sarah Malik of Sol International looks at good practice in performance management, including when dealing with directors or senior employees.

Effective performance management can play a crucial role in any organisation in order to ensure there is an engaged workforce providing maximum output. If performance issues and delivery gaps in the workplace are not adequately addressed, employers can be exposed to risk and organisational success will also be compromised. Any failure to effectively deal with performance issues will also have other negative consequences as morale will be affected and the underperformance of colleagues may also have a detrimental impact on productive team members. However, mishandling performance issues can also lead to negative publicity for a business and damage an employer’s reputation in the local and international market. GCC countries also have strong cultural and religious norms that can influence workplace dynamics, and so employers must be culturally sensitive when addressing performance issues and bear in mind these cultural nuances.

From the legal perspective, in most GCC countries, termination for performance requires ‘just cause’, see for example, Article 44 of Federal Decree-Law No. 33/2021 (the UAE Labour Law). Employers must also document performance issues thoroughly in order to avoid claims made against them.

There can also be legal differences and additional considerations when addressing performance issues involving directors or senior level employees.

For example, senior-level employees are likely to have detailed employment contracts which may include specific clauses on performance, termination, and severance. Therefore, employers should review the individual’s specific contract very carefully where senior employees or directors are involved. Often senior level employees or directors are not placed on performance plans in the same way as more junior employees and instead severance packages are often quickly agreed.

With more senior employees the employment contract may also specify longer notice periods or more substantial severance packages, particularly in cases of termination for performance issues. Directors can also have fiduciary duties to the company, and performance issues which are related to these duties can have specific legal implications. Failure to properly address issues

of this type can potentially lead to liability for the company or the board, if a director is involved. In addition, performance issues of senior level executives in publicly traded companies may also require disclosure to shareholders, especially if they affect the company’s performance or stock price. Therefore, these factors needs to be considered and balanced along with handling issues with appropriate discretion in order to protect an individual and company reputation.

There can also be some very specific issues when it comes to managing performance in the GCC. For example, under the labour law in the GCC countries fasting Muslim employees have specific rights. Therefore, when considering performance, where a fasting employee is not working as normal, it is important to take that into account. Disciplining fasting employees for lower productivity during Ramadan is likely to be perceived as insensitive or discriminatory.

Every organisation needs documented performance procedures and policies to reduce the risk of organisational liability and help ensure there is accountability and consistency. Policies provide parameters on how the organisation operates.

When considering drafting performance policies one key point is to include a reasonable time frame within which employees can improve before further sanctions such as dismissal are taken. The focus of these policies should be to assist underperforming employees to achieve rather than to penalise them.

Depending on the nature of the underperformance, different methods may also be used.

A performance improvement plan will always encourage an employee to improve their performance. While discipline is required if an employee has failed under a Performance Improvement Plan any underlying root cause of an employee’s poor performance should be addressed, especially if the employee has been a high performer in the past as there could be circumstances in their life or even an illness that has affected their performance.

Finally, it is important to bear in mind the workplace culture when addressing performance issues. If an employer is aware there has been an extraordinarily busy period for employees, it would be unreasonable to performance-manage any employees who have fallen slightly behind on some area of their work because of that sudden increase in work volume or temporary additional tasks they have also had to handle.

on a more strategic role, requiring leaders to rethink their people strategies to maximise business impact while dealing with limited budgets.

The challenge of maintaining inclusivity and diversity is also important. Many organisations are committed to these values, but translating them into actionable results can be difficult.

HR leaders have to create and implement policies that foster a genuinely inclusive culture while ensuring

compliance with changing legal standards. Lastly, there is an ongoing need to upskill and reskill in response to rapid changes in the job market.

As industries evolve, employees will need new skills to remain competitive.

This creates both an opportunity and a challenge for HR to design effective training programmes that align with organisational goals and individual career aspirations.

MOVES AND CHANGES

A ROUND-UP OF BUSINESS NEWS, APPOINTMENTS AND PROMOTIONS

A FAUTSCH-TASTIC MOVE AT LEIDOS

Leidos, a leader in innovation, which operates across the world including in Saudi Arabia has appointment of Leslie Fautsch as the company's new Chief Human Resources Officer (CHRO). In her new role, Fautsch will support Leidos's workforce of 48,000 employees worldwide while shaping the company's workforce strategy. Fautsch has over 20 years of experience in human resources, of which nearly 14 years were spent at Leidos. Most recently she led significant enhancements to the company's total rewards programmes and redefined their human capital strategy. Previously, she was Senior Vice President for HR Operations and Total Rewards at the company, where she oversaw the compensation, benefits, and recognition programmes. Fautsch has also spearheaded HR initiatives across corporate and enterprise functions, driving enterprise-wide strategies and talent development. Other past HR leadership positions at Leidos have focused on ethics and employee relations. Before joining Leidos, she held key roles in employee relations, ethics, and HR management at a prominent aerospace company. She is a licensed attorney, with a law degree from Marquette University, and a bachelor's degree in Government and Public Policy from the University of Notre Dame.



HEALTHY CHANGE

Aster DM Healthcare Limited a multinational for-profit private hospital network whose corporate headquarters is based in Dubai and is registered in Bengaluru, India has appointed a new Group Chief Human Resources Officer (CHRO), Jacob Jacob. Jacob has over 27 years of experience of work on HR strategy and design and in the past has worked in a range of countries and industries. Before joining the Aster DM Healthcare group, Jacob was the global CHRO at the Malabar Group, a company that works in a number of sectors including logistics, customs clearing, business travel and warehousing.

In his new role, Jacob will spearhead the HR function across the organisation, leveraging his experience of driving transformational growth and enhancing enterprise capabilities.

In previous roles he has led large-scale transformation projects which had a focus on culture building, senior leadership coaching, and organisational productivity. This has included work on organisational development, total rewards programmes, and performance-

based compensation metrics. He has also developed structures and processes which align with business goals, and driving organisational growth through digital enhancement strategies.

IN THE CITY

Urooj Tahir has been appointed Senior Vice President CHRO UAE Onshore and Banking and also the MEA Head of Nationalisation at Citi. Citi is a global financial institution which provides a wide range of financial services to individuals, businesses, governments and institutions. It operates in over 160 countries. This is an internal move for Urooj as she was previously the Vice President Talent Acquisition - Banking, International Client and Wealth (UK, Europe and MEA) and Nationalisation at the company.

Her focus was on the nationalisation strategies in the Middle East and Africa.

SEND US YOUR NEWS

If you have news of an appointment or promotion within the legal or financial professions you would like to see reported in Lexis Middle East Law, please send details to: bonolo.malevu@lexisnexis.co.za



She has also worked in the past as Regional Talent Acquisition and Graduate Programme Lead at HSBC and has led nationalisation recruitment initiatives in the UAE, Qatar, Bahrain and Kuwait, which saw her managing graduate programmes and fostering relationships with universities across the region. In addition, she also held a range of HR roles at Commercial Bank International and Khushhali Bank.

BUILDING GREAT TALENT

The Dubai based conglomerate Al-Futtaim has appointed Peter Hogg as its new Group Head of Talent Acquisition. Peter has almost two decades of experience of HR leadership. He worked for over 10 years at Schneider Electric in a number of different roles including Talent Acquisition Director for the Middle East & Africa, and Talent Acquisition and Mobility Manager for the UK & Ireland. He has also worked in the past for Doosan Power Systems as Global Resourcing Manager, Mott MacDonald as Senior Resourcing Advisor, Black & Veatch as a Recruiter, Tardis Group as a Recruiter, and Hays as a Recruitment Consultant. He has a BSc degree in Human Geography and Business Management from the University of London, and has completed an organisational leadership programme with INSEAD. Hogg has particular skills in a range of recruitment areas including technical recruitment, recruitment advertising, executive search, talent acquisition, contract recruitment, HR planning, strategic resourcing, employee relations, project management, and employer branding.

OTHER CHANGES

UCC Holding: Mohamad Kheir has joined GCC infrastructure company, UCC Holding as their new Chief Human Resources Officer (CHRO).

Vertiv: The infrastructure company Vertiv which has recently expanded into the Middle East region has appointed Frank Poncheri as their new Chief Human Resources Officer, with responsibility for their global HR strategy.

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Mental Health



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The UAE's progressive new law on Psychiatric Health (Federal Law No. 10/2023) also known as the Mental Health Law, came into force on 30 May 2024. This law aims to enhance mental health support, including in the workplace. Now is the time for UAE employers to reassess their workplace policies and practices on this area to ensure they are aligned with these new legal requirements and promote a supportive work culture.

FEDERAL LAW NO. 10/2023

Federal Law No. 10/2023 prohibits employers from terminating or imposing restrictive measures on employees with certain mental health conditions without an official report from a designated medical committee. This protection extends to those who have conditions affecting their thinking, mood, behaviour, perception, memory, or other mental abilities. As a result, this law may cover a range of disorders and conditions including anxiety, ADHD, personality or mood disorders like depression or bipolar disorder, and psychotic disorders like schizophrenia. The law does not specifically prohibit restrictive measures when individuals have these conditions, but actions that could be deemed detrimental include demotion, denying promotion, salary reduction, excessive

micromanagement, forced leave, and exclusion. Therefore, it is more crucial than ever that UAE employers develop a comprehensive mental health policy which both supports compliance with these new legal standards and fosters a supportive, healthy workplace. There are a number of key areas to consider when drafting a new policy or updating an existing policy of this type. One key element is having mental health awareness and training in place. Employers can help reduce stigma and promote a culture of openness by educating staff. They should consider whether to adopt a policy of mandatory mental health training for all employees that could cover the identification of mental health issues, effective communication strategies, and how to access support services.

Employers should also consider signposting mental health resources and implementing an Employee Assistance Programme that provides confidential counselling services, and online support tools, ensuring that employees have access to help whenever they need it. Policies should also outline procedures for supporting employees who have disclosed a mental health condition. This may include providing reasonable adjustments to their work environment or tasks and ensuring any necessary accommodations are made to support their well-being and continued employment.

Policies in this area also need to emphasise the importance of confidentiality and non-discrimination.

It is necessary to comply with the UAE data protection laws (Federal Decree-Law No. 45/2021 for onshore UAE, DIFC Law No. 5/2020 in the DIFC, and the ADGM Data Protection Regulations in the ADGM). It should be noted that these laws have specific enhanced provisions when handling sensitive personal data related to health.

Developing a robust crisis management protocol can also be essential for effectively handling situations where an employee is in immediate need of mental health support, particularly as many private sector employees in the UAE are expatriates who may not have the sort of familial support network they can call on in their home country. This protocol can include a regularly updated list of emergency contacts, mental health professionals, details of crisis intervention services, and emergency medical services. It can also be helpful to have defined immediate response steps, e.g. designating trained individuals who are responsible for managing employees in crisis and outlining steps for identifying signs of crisis. There should also be guidelines for confidentially and sensitively communicating with employees in crisis, family, colleagues, and managers.

Under Federal Law No. 10/2023 a critical area is handling dismissals of employees with mental health conditions. Key considerations for policies on managing dismissals while mitigating risks include making reasonable adjustments.

It is important to assess if an employee's mental health condition is affecting their performance and if reasonable adjustments should be made to accommodate their needs and support them, e.g. modifying work hours, responsibilities, or providing additional support. Policies should also provide an opportunity for consultation with the employee to discuss performance concerns and any support they require.

To facilitate the dismissal process for an employee with a mental health condition, employers should first contemplate consider establishing a protocol for liaising with the prescribed designated medical committee to obtain the necessary approval.



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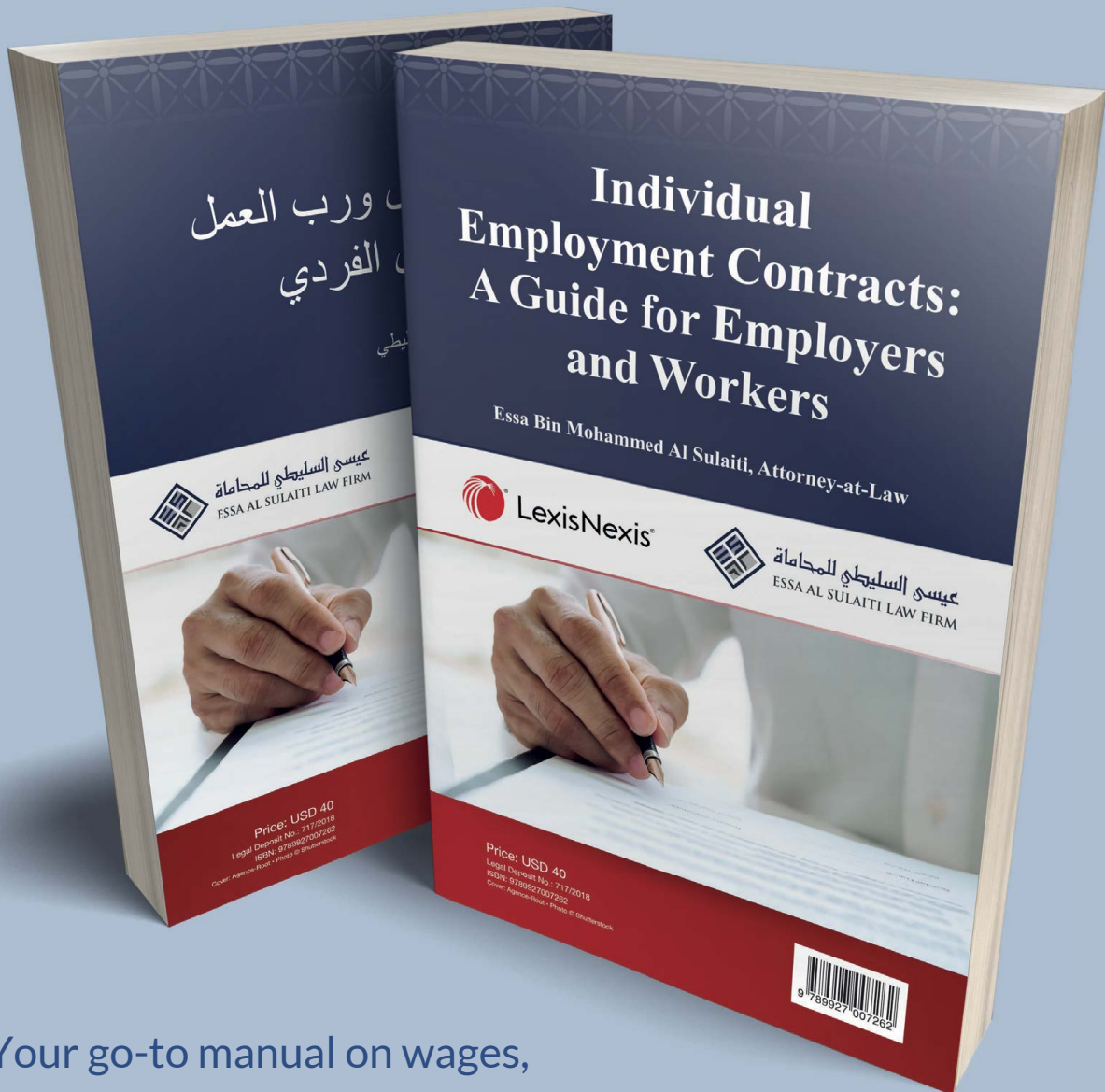
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