



**Hire employees in the UAE**  
simply, compliantly, and hassle-free

# Table of contents

 **What you need to know for employing in the UAE**

 **Benefits**

 **Employment Contracts**

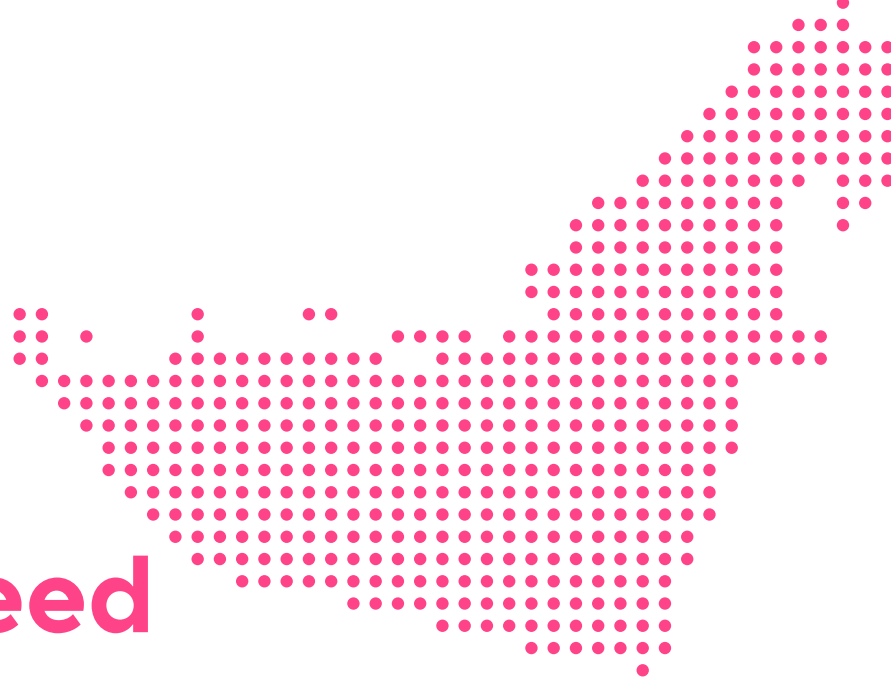
 **Onboarding**

 **Leaves**

 **Payroll & Tax**

 **Terminations**

 **Invoice Schedule**



# What you need to know for employing in the United Arab Emirates

Employ remote teams worldwide with Omnipresent's Employer of Record (EOR) service. We combine human expertise with automation to deliver your compliance, payroll, benefits, and HR support needs.



**Currency:** United Arab Emirates Dirham (AED)



**Language(s):** Arabic



**Employer costs:** Average



**Termination:** Hard



**Onboarding Timeline:** ~ 15 calendar days



**Payroll Frequency:** Monthly

# Benefits

What we offer	Mandatory	Supplementary
Healthcare	✓	✓
Dental Insurance		✓
Vision Insurance		✓
Retirement & Pension	✓	
Workers' Compensation	✓	

## Health

Employers must provide basic health insurance coverage to their employees, which includes coverage for inpatient and outpatient treatment, emergency care, and maternity cover. This basic insurance is required to attain a work visa in the UAE and must be sponsored by the Employer of Record.

Omnipresent provides the required basic Health Insurance for compliance and we offer supplementary enhanced plans including dental and vision with the option to cover dependants.

## Retirement

For UAE nationals (employees who do not require a visa), retirement benefits are mandatory and are provided through the General Pension and Social Security Authority (GPSSA). It is not required to provide Retirement benefits to non-nationals however, employers must provide an end of service gratuity, which is a lump-sum payment based on the employee's length of service with the company.

# Employment Contracts

We offer fixed-term contracts in the United Arab Emirates. Part-time contracts are allowed only under specific circumstances.

## Contract Requirements

Omnipresent requires a written employment contract to outline the EOR terms and provide clarity for both employers and employees. Omnipresent ensures that all necessary key terms are included in the employment contracts we provide.

**Contract language:** Arabic and English

**Signature requirement:** Electronic signatures are acceptable, but wet-ink signature is preferable

**Backdating:** Not possible as per Omnipresent's policy

## Contract Customisation

We provide optional clauses for customisation when adding an employee to our platform. This allows you to tailor certain contract aspects, such as unlimited time off or extra-legal sick days. However, certain contract elements cannot be customised due to compliance risks or Omnipresent's policy. Examples include overtime, restrictive covenants, and stylistic changes.



## Probation

During the probation period, employers evaluate an employee's suitability for the role they have been hired for. It gives the employer an opportunity to assess their performance and determine if they are a good fit for the company. We believe that this process benefits both the employer and the employee.

Here are some key points to know about the probation period:

- The probationary period of an employee cannot exceed a period of 6 months, or be extended for another term. Only one probationary period can be imposed during the employment.

Please note that the only exception to our policy is in the case of a transfer of the employment relationship.

# Onboarding

## Timeline

Our normal onboarding timeline for the United Arab Emirates is ~15 calendar days. The onboarding steps involved are: Platform Setup, Right-to-Work Check, Employment Contract, Benefits and Payroll enrollment. This timeline does not include exceptions such as visas and medical & background checks.

## Registration & Approvals

The employer must share the relevant employee details when employing a UAE or GCC national in order to register with the General Pension & Social Security Authority (GPSSA).

## Immigration & Visas

Generally, employees in the UAE require a residence visa and work permit to legally reside and work in the UAE. In free zones, the work permit is sometimes also referred to as the 'employment card' or the 'company employment card'.

Work permits are typically valid for 2 years.

## When moving your employees from another EOR to Omnipresent

If the employee has previously worked for you, whether in another country or through another EOR provider, we can recognise their length of service. This recognition of seniority will need to be mentioned in the employment contract.



# Leaves

## Annual Leave Entitlement

The United Arab Emirates offers a minimum of 30 calendar days (22 working days) paid annual leave.

## Maternity Leave

An employee is entitled to 60 days maternity leave. The first 45 days are on full pay and the remaining 15 days on half pay.

## Paternity Leave

The employees are entitled to 5 working days of parental leave. These days can be taken consecutively, or non-consecutively, within 6 months from the date of the birth of the child.

## Sick Leave

An employee who has completed at least 3 months following the probation period in the continuous service of the employer is entitled to sick leave not exceeding 90 days per year.

## Public Holidays

The United Arab Emirates has 16 regular holidays in 2023 for its 8 observed holidays, but the actual number of days varies from year to year depending on how they fall on the Gregorian calendar.

1. New Year's Day (رأس السنة الميلادية)
2. Laylat al-Mi'raj (الإسراء والمعراج)
3. First day of Ramadan (اليوم الأول من رمضان)
4. End of Ramadan (Eid al-Fitr) (عيد الفطر)
5. Feast of the Sacrifice (Eid al-Adha) (عيد الأضحى)
6. Islamic New Year (رأس السنة الهجرية)
7. Birthday of Muhammad (Mawlid) (المولد النبوي)
8. National Day (اليوم الوطني)



# Payroll & Tax

## Payroll Cycle

The payroll cycle in the United Arab Emirates is monthly.

- Payroll runs from the **1st of the month** to the **end of the month**.
- Payroll cut-off date is **6th of the month** (any changes to payroll or variables must be shared with Omnipresent by this date).
- Payment date is the last working day of the month (this is when employees will receive their salary payment).

## Extra Payments (Bonus, Commission etc.)

There are no mandatory extra payments in the United Arab Emirates. The employee is entitled to 12 months of salary payments. However, it is common for an employee's salary to be split into certain allowances such as housing or transportation. Those allowances can be in the form of cash value or accommodation/transportation provided by the company.

## Hourly Wage

Omnipresent is unable to accept employees on an hourly wage.

## Minimum Wage

There is currently no minimum wage in the UAE, however, the new Labor Law does provide that the Ministry of Human Resources and Emiratization may propose minimum wages for different categories of workers, leaving it open for a minimum wage to be introduced in the future.

There are penalties for delayed or unpaid payments.

## Standard Work Schedule

The Standard work schedule in the United Arab Emirates consists of a maximum of 8 hours per day and 48 hours per week (for 6-day working week) or 40 hours per week (for 5-day working week).

## Employer Costs

The employer costs depend on a variety of employee variables. A guiding number is **12.5%** of the employee salary only for UAE nationals. For all other GCC nationals, contribution varies as per country. To get a more detailed estimate based on the employee salary use the [OmniCalculator](#), or contact us for further information.



# Terminations

## **Termination Process**

Before proceeding with a termination (including verbal discussion with the employee about the risk of termination) you must first get in touch with Omnipresent. We will then provide guidance on next steps. You can read our [full guidance here](#). To initiate a termination, you need to submit a termination request through the OmniPlatform after which our relevant teams will assess the case and plan a compliant termination process.

## **Involuntary Termination**

The employer can terminate a contract of employment for a 'valid' reason with 30 days prior written notice to the employee or any other such notice period as may be specified in the employment contract.

## **Severance Pay (End-of-Service Gratuity)**

The Labor Law provides for severance pay for employees who have completed a period of at least 1 year of continuous service. The length of service, nature of contract (limited or unlimited), and labour regulations determine the exact eligibility requirements.

## **Notice Period**

The Labor Law sets out a minimum notice period of 30 days and a maximum of 90 days. During the probationary period, the notice period is as follows:

- 14 days written notice by the employer
- 14 days written notice by employee, unless employee wishes to join another employer, then 30 days written notice. In such instances, the new employer may be required to compensate the current employer for the recruitment costs (visa and flight). Also 14 days written notice if the employee intends to leave the state for more than three months.

# Invoice Schedule

## Setup Fees:

Once Terms are signed, Omnipresent begins deploying resources for the setup process.

Trigger [*Employee Details Added*]

## Deposits:

Payable when the local employment contract is ready for signature. The deposit enables Omnipresent to move forward securely to sign the local employment contract with the employee.

Trigger [*Employee Details Added*]

## Initial Salary Prepayment:

The first month's estimated labour costs are invoiced on the first day of employment.

Trigger [*Employment Start Date*]

## Ongoing monthly Employment Costs and Fees:

Thereafter, we invoice monthly in arrears for labour costs - once the final payroll, taxes, insurance, social security contributions, expenses and deductions have been calculated. Each monthly invoice will include our monthly service fee, deposit insurance (if applicable), and an FX fee (if applicable).

Trigger [*Payroll Date*] Typically the last working day of the month, but varies by country.



## Explore how Omnipresent simplifies global team growth.

Explore the effortless solution for your global hiring, payment, and management needs with Omnipresent. We simplify complex processes like onboarding, legal contract drafting, expense management, benefits allocation, and a whole lot more. Start your journey towards compliant international business practices.

**TALK WITH AN EXPERT**

