

UNITED ARAB EMIRATES MINISTRY OF LABOUR

LABOUR CONTRACT

Administrative Circular No. (1) for 2001 A.D.

Undersecretary of the Labour Sector

Whereas Article 127 of Law No. 8 for 1980 and amending laws had given the employer the right to require that the worker (who works for him and is permitted within the scope of his work to know his clients or have access to his secrets) may not compete with him or participate in a competitive work upon the completion of the contract.

In order to set a unified base for the execution of the mentioned article, the following shall be taken into account:

- **First:** The employer, upon the ratification of the labour contract, may add the non-competition condition, provided that the following is specified in the contract:
 - **1- Place:** Does not exceed the borders of the United Arab Emirates and may include one or two emirates, or the entire state.
 - 2- Time: The validity of the non-competition condition may not exceed two years from the
 date

of the contract termination.

- **3- Type of Work:** Determine the type of work that may not be practised as a condition for non-competition.
- 4- The competent employees at the Ministry may not ratify the labour contract if the above-mentioned requirements were not present in the contract.
- **Second:** The employer may not set a condition to prevent the worker from working in the country (except in accordance with the provisions of Article 127 and if all conditions apply) by, for example, adding a paragraph in the contract stipulating that "labourers may not work in the country at the expiry of the contract", which is considered a condition for non-

competition due to its violation of the requirements of the mentioned article, as a result the stamp of depriving the labourer from work, at the expiry of the contract, must not be placed if this condition is present.

Third: All appropriate authorities and employees of the ministry must comply carefully with this circular, each in his own scope of work, as of its issuance date.

Dr. Khaled Mohammed Al-Khazragi Undersecretary of the Labour Sector

Ministerial Resolution No. (1215) for 2005 A.D.

On registering the nationals of Gulf Cooperation Council countries

working in the private sector

Dated 26/12/2005

Minister of Labour and Social Affairs:

- *After reviewing Federal Law No. (1) for 1972 A.D. regarding the ministries competencies and ministers' capacities and the amending laws thereto,
- *Federal Law No. (8) for 1980 in regards to organizing the work relationships and the amending laws thereto,
- *Cabinet of Ministers Resolution No. (91/7) for 2005 on the economic resolutions by the Supreme Council of the Arab Gulf Cooperation Council countries in its twenty fifth session (protection extension system).
- *Federal Law No. (7) for 1999 on pensions and social securities.
- *Federal Law No. (2) for 2005 issued by H.H. the Minister of Finance and Industry regarding providing the General Authority for Pensions and Social Securities with the names of the workers who are nationals of the Gulf Cooperation Council countries.
- *Cabinet of Ministers Resolution No. (19) for 2005 regarding the fees system and bank surety,
- * and based on what was presented by the competent Under-Secretary.

It was decided:

First article

All facilities employing or wishing to employ nationals of Gulf Cooperation Council countries must abide by the rules and regulations mentioned in this resolution.

Second article

The facilities where nationals of Gulf Cooperation Council countries work must reregister them upon the issuance of this resolution in accordance with the terms and conditions mentioned in it.

Third article

Nationals of Gulf Cooperation Council countries shall be registered by printing the data of the employment contract forms and apply for a labour card for nationals of Gulf Cooperation Council countries through the transactions clearance office or directly by subscribing to the website <u>www.uaesmartforms.com</u>

Fourth article

In case of new contracts, the competent administration at the Ministry shall receive the labour card and new employment contract after the signature of the employee and employer, in addition to a photograph of the employee, as a file in his name shall be opened in the system at the Ministry. The facility shall receive a receipt bearing the number of the labour card and 3 ratified copies of the contract.

Fifth article

The facility shall deliver the receipt of the labour card number and the employment contracts to the General Authority for Pensions and Social Securities.

Sixth article

In case of valid contracts and cards, the Ministry, upon receipt of the labour card application and the employment contract in the new format, shall substitute the labour card and write the conditions of the valid contract in the new contract format, in addition to the completion of the other necessary procedures under this resolution.

Seventh article

The General Authority for Pensions and Social Securities shall have the right to access and view the employment contract and the requests related to it at the web site <u>www.uaesmartforms.com</u> on the internet by entering the labour card number.

Eighth Article

The General Authority for Pensions and Social Securities, according to the competencies and responsibilities assigned to it under the protection extension system and its laws shall assign a subscription number to the employer at the company where Gulf Cooperation Council countries nationals work as well as activate the approval of the labour card.

Ninth article

After the General Authority for Pensions and Social Securities assigns an owner subscription number according to what was mentioned in the Eighth Article above and approve the activation of the card, the Ministry shall print the card and send it to the facility by mail.

Tenth article

The steps and procedures mentioned in the articles above shall apply in case of any amendment to the employment contract using the same numbers assigned to the employer subscription.

Eleventh Article

The General Authority for Pensions and Social Securities may suspend the facility file at the Ministry temporarily on the network by entering the subscription number, in case the facility does not pay the due subscriptions including the employer's share and the share of the insured. The file must be reactivated in the event of settling the subscriptions.

Twelfth Article

The facilities shall complete the procedures of employing Gulf Cooperation Council countries nationals as stipulated in this resolution and acquire the labour card in accordance with the applied resolutions and executive regulations.

Thirteenth article

The labour cards of Gulf Cooperation Council countries nationals shall be exempt from the fees mentioned in cells from (6) to (16) of the table in the First Article of the mentioned Ministerial Resolution No. (19) for 2005.

Fourteenth article

Late fees mentioned in cells (21), (22) and (23) of the table in the First Article of the mentioned Ministerial Resolution No. (19) for 2005 shall apply.

Fifteenth article

This decision is effective from its issuance date and shall be published in the Official Gazette.

Dr. Ali Abdullah Al-Kaabi

Minister of Labour and Social Affairs

Ministerial Resolution No. (1216) for 2005

On the rules and procedures of the employment contracts of nationals.

Dated: 26/12/2005

Minister of Labour and Social Affairs:

- *After reviewing Federal Law No. (1) for 1972 A.D. regarding the ministries competencies and ministers' capacities and the amending laws thereto,
- *Federal Law No. (8) for 1980 in regards to organizing the work relationships and the amending laws thereto,
- *Federal Law No. (7) for 1999 on pensions and social securities.
- *Law No. (2) for 2000 on pensions and civil retirement benefits for the Emirate of Abu Dhabi.
- *Cabinet of Ministers Resolution No. (19) for 2005 regarding the fees system and the bank surety.
- *Ministerial Resolution No. (900) for 2002 on the rules of the unified employment contract for nationals in the private sector in the country.
- *and based on what was presented by the competent Undersecretary.

It was decided:

First article

The employment of nationals shall be in accordance with the rules, regulations and employment contract model specified in this resolution.

Second article

The facility shall print the data requested in the employment contract and labour card application on the screen through the transactions processing offices, or through subscribing to the web

site www.uaesmartforms.com.

Third article

In case of new contracts, the competent administration and the Ministry shall receive the labour card and new employment contract after the signature of the employee and employer, in addition to a photograph of the employee, as a file in his name shall be opened in the system at the Ministry. The facility shall receive a receipt carrying the number of the labour card and 3 ratified copies of the contract.

Fourth article

The facility shall deliver the receipt of the labour card number and the employment contracts to the General Authority for Pensions and Social Securities or the Pensions and Retirement Benefits Fund for the Emirate of Abu Dhabi as necessary.

Fifth article

The General Authority for Pensions and Social Securities or the Pensions and Retirement Benefits Fund for the Emirate of Abu Dhabi, as necessary, shall have the right to access and view the employment contract and the requests related to it at the web site <u>www.uaesmartforms.com</u> on the internet by entering the labour card number.

Sixth article

The General Authority for Pensions and Social Securities or the Pensions and Retirement Benefits Fund for the Emirate of Abu Dhabi, as necessary and according to the competencies and responsibilities stipulated in their laws, shall link the facility subscription number and the employee's security number and shall activate the ratification of the employee card.

Seventh article

After the General Authority for Pensions and Social Securities or the Pensions and Retirement Benefits Fund for the Emirate of Abu Dhabi links the facility subscription number and the employee's security number and approve the activation of the card, the Ministry shall print the card and send it by mail to the facility.

Eighth Article

The steps and procedures mentioned in the articles above shall apply in case of any amendment to the employment contract using the same numbers linked to the facility subscription and the employee insurance.

Ninth article

The General Authority for Pensions and Social Securities or the Pensions and Retirement Benefits Fund for the Emirate of Abu Dhabi may, as necessary, suspend the facility file at the Ministry temporarily on the network by entering the subscription number, in case the facility does not pay the due subscriptions including the employer's share and the share of the insures. The file must be reactivated in the event of settling the subscriptions.

Tenth article

The facilities shall complete the procedures of employing nationals as stipulated in this resolution and acquire the labour card in accordance with the applied resolutions and executive regulations.

Eleventh Article

At the termination of the work relationship for any reason, the employer shall be obliged to notify the Ministry and cancel the labour card in accordance with the laws and regulations in force. In the event the employer does not meet this commitment, the work relationship shall be considered ongoing, and the Ministry, upon receipt of such notification, shall send a copy to the General Authority for Pensions and Social Securities or the Pensions and Retirement Benefits Fund for the Emirate of Abu Dhabi.

Twelfth Article

If the Authority or Fund received a notification from the Ministry or the facility to the termination of the work relationship, it shall conclude the procedures related to the pension rights of the worker and notify the Ministry in order to remove the worker from the facility file.

Thirteenth article

The unified employment contract system for nationals in the private sector as published on the website of National Resources Development and Employment Authority shall be cancelled, also the mentioned Ministerial Resolution No. (900) for 2002 shall be cancelled.

Fourteenth article

The labour cards of nationals shall be exempt from the fees mentioned in cells from (6) to (16) of the table in the First Article of the mentioned Cabinet of Ministers Resolution No. (19) for 2005.

Fifteenth article

Late fees mentioned in cells (21), (22) and (23) of the table in the First Article of the mentioned Cabinet of Ministers Resolution No. (19) for 2005 shall apply.

Sixteenth article

This resolution is effective from its issuance date and shall be published in the official gazette.

Dr. Ali Abdullah Al-Kaabi Minister of Labour and Social Affairs