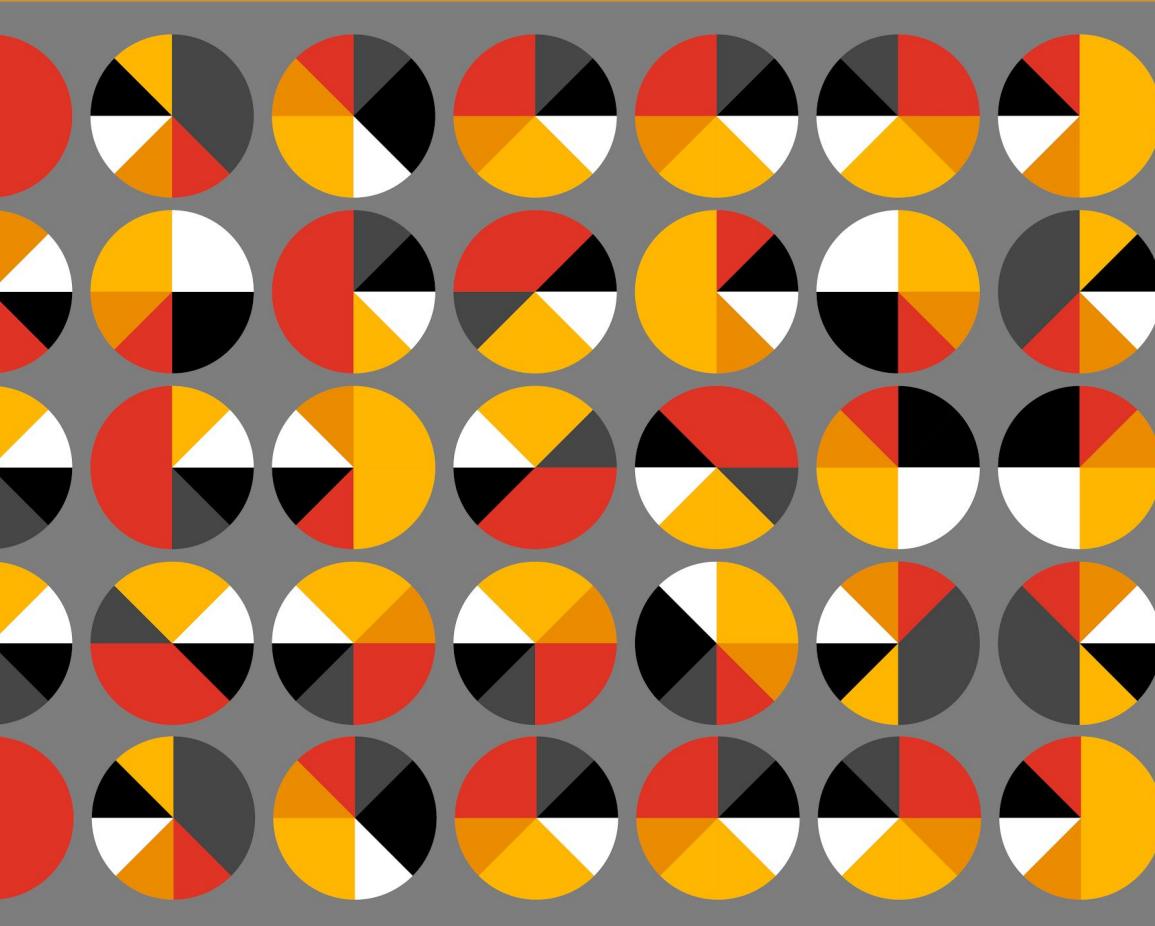


GCC: Immigration and Employment roundup

April 2021



In brief

We have seen a continued trend in the UAE to attract further business and tourism to the country, with the announcement of new visa categories which will allow for remote working across the country and a longer term tourist visa.

Key labour reforms in the Kingdom of Saudi Arabia came into effect, which improve conditions for workers whilst simultaneously increasing the visa requirements for foreign nationals, and other nations in the GCC continue to implement changes whilst battling the pandemic.

In detail

United Arab Emirates (UAE)

Remote Working Visa

Following on from the announcement in October 2020 by Dubai Tourism, introducing the Virtual Working Programme in Dubai, the UAE Cabinet has further announced the introduction of a Remote Working Visa for the UAE, allowing foreign nationals to work and live in the country whilst employed by their employer in their home country. Details of when the visa will be introduced and the exact requirements are yet to be announced.

It is understood that the visa will be valid for one year and will also allow for the sponsorship of dependents. The visa is unique in the sense that it does not require local company sponsorship, as is the case with Employment Residence Permits in the UAE.

The move demonstrates the willingness of the UAE government to attract expats into the country, where they will be able to benefit from all the perks that the country has to offer; including the nation's reputation in being a global business and digital hub in the Middle East. Since the start of the pandemic, countries around the globe have had to think about remote working, with the UAE leading the way in terms of making provision for a specific immigration category.

Multiple-Entry Tourist Visa

In the same announcement by the UAE government, the introduction of Multiple-Entry Tourist Visas was also approved for all nationalities to "strengthen the UAE's status as a global economic capital" as noted by His Highness Sheikh Mohammed bin Rashid Al Maktoum.

The new visa aimed at visitors and tourists will be valid for five years and allows multiple entry under self-sponsorship for a maximum period of 90 days on each visit. This may also be extended for a further 90 days if required. It also does not require the need for a guarantor and allows for visitors to enter and exit the country as many times necessary. We await more information regarding the application process, and documentary evidence that may be required in support.

Dubai Culture to grant 10-year residency visas

The Dubai Culture and Arts Authority has confirmed that it will be granting the approval of 10 year cultural visas to 1,000 applicants globally. The measure which was first announced in 2019 has already been well

received by 261 applicants who have filed applications from 46 countries with Dubai Culture.

The authority has already formed an agreement with the General Directorate of Residency and Foreigners Affairs, in order to establish an alliance with issuing the cultural visas for entrepreneurs, investors and talented individuals who qualify. Some of the eligible criterias for the long-term cultural visa include those with creative talent in the fields of fine art, literature, heritage and history.

The initiative is in line with the UAE's 2020-2025 Dubai Culture Strategy, aiming to attracting those with exceptional talents to the country. It is also in accordance with the government's aim in attracting and empowering talent; whilst simultaneously granting individuals the relevant opportunities to partake in the nation's development as a global cultural hub.

Mandatory PCR Testing

The Ministry of Human Resources and Emiratisation has announced that from 28 March, unvaccinated employees in five business categories must undergo mandatory PCR testing every 14 days. The announcement applies to employees in hotels, restaurants, transport, health and social, laundries, beauty salons and hairdressers.

Kingdom of Saudi Arabia (KSA)

Labour Reform Initiative for the Private Sector

Further to our GCC update in [November 2020](#), the Ministry of Human Resources and Social Development's (MHRSD) announcement to reform Saudi Arabia's "kalafa" sponsorship system, by easing restrictions to travel in and out of the Kingdom and abolishing the requirement of workers in the private sector to request permission from their existing employers to change jobs in certain situations, officially came into effect on 14 March 2021.

The new measures (under the Kingdom's Labour Reform Initiative) that are now in place include the following:

1. Removing the requirement for foreign nationals to procure consent from their sponsors to apply for the Exit Re-Entry Visa prior to travelling internationally.

Traditionally, the onus would be on the employer to issue an Exit Re-Entry Visa on behalf of the employee in order for the employee to be able to travel. However, under the new measures, the foreign national may procure the visa through the Absher platform and also on behalf of any dependants. Companies will be notified about the request and have 10 days to object to it with the MHRSD. However, they are unable to reject the request directly.

2. Removing the requirement for foreign nationals to procure consent from their sponsors to apply for their Final Exit Permit from the Kingdom.

Similarly to the Exit Re-Entry Visa, in order to obtain the Final Exit Permit, employees no longer require the consent from their sponsor before permanently leaving the Kingdom. However, the change does not apply to domestic workers. Employees may apply for the Final Exit Permit from the Absher platform and once approved, must ensure that they exit the country within 15 days of issuance of the permit. This varies to the usual 60 days granted when the permit is applied for by the employer directly.

3. Easing the transfer of sponsorship in order to allow for employees to switch employers without the requirement of the current employer's permission, in the instance whereby an employee's contract has ended and if at least one year of service has been completed from the date of arrival into the Kingdom.

Even if these conditions are not met, the employee may still be able to change employers under the following scenarios:

- In the instance that the employer approves so;
- In the instance where the salary of the employee has not been paid for three consecutive months;
- Where the employer does not provide a notarised employment contract within three months of the foreign national's entry date;
- In a situation whereby the employee's residence permit/ijama has expired and the employer has failed to renew it;
- If the sponsor is away due to travel, imprisonment or unavailable.

Launch of Professional Verification Scheme

On 14 March 2021, the Ministry of Human Resources and Social Development (MHRSD) announced the introduction of the Professional Verification Scheme (PVS), which is due to be implemented in July 2021.

The new measure means that foreign nationals in select roles may be required to undergo an examination in order to verify that they are in fact qualified and skilled in their required role. The PVS has been introduced as part of the government's measure to reduce the number of unskilled workers in the labour market, improve the existing quality of skilled labourers, and to enhance overall service within the private sector.

Applicants will be required to sit mandatory examinations which the MHRSD is cooperating with the Ministry of Foreign Affairs and Technical and Vocational Training Corporation on. Those individuals applying for a work visa from outside the country must pass the exam before proceeding with their visa application. For those employees already in the country, their respective employer will be required to register their workers for the exam.

At present, the MHRSD has not yet confirmed the list of jobs or sectors that will be impacted by the change. However, it is anticipated that the implementation of the PVS will be significant and will simultaneously increase overall processing times and fees in the visa process.

Kuwait

Ease of visa transfer restrictions

Following on from the announcement by the Public Authority for Manpower in August 2020, issuing a directive to ban the transfer of government workers to the private sector, the Authority has now announced an easing on most of the restrictions for the transfer of visas for expats working in certain sectors.

A new decree now allows for individuals working in the government sector to transfer their visas to the private sector with the permission of their current sponsor, however it does not apply to employees on government contracts.

Previously, there were exemptions in place for Kuwaitis, Palestinians with travel documents and those in skilled professions in the healthcare industry. However, the recent decision has been undertaken to meet the needs and demands of the labour market, which has been impacted by the COVID-19 pandemic.

Grace period for visa violators

The Ministry of Interior has announced that the grace period for those who have expired visas will be extended for one month, allowing them to amend their status. Given the disruption caused by the COVID-19 pandemic and the closure of the Public Authority for Manpower, the grace period has been extended to give expats more time so that they may continue to reside in Kuwait.

Bahrain

Digital COVID-19 Passport

Bahrain has become one of the world's first nations to introduce a digital COVID-19 passport. The country's 'BeWear' app displays a green shield and an official certificate containing the individual's personal details, as well as when the vaccine was provided.

The nation has been providing its residents with the COVID-19 vaccine free of charge. Holders of the digital passport must have received two doses of the vaccine, followed by an additional two weeks for antibodies to develop. Authorities are able to confirm the validity of the passport by scanning a QR code, linking to the national vaccine register.

Minimum Salary Increase for Dependent Sponsorship

The minimum salary requirement for foreign nationals to sponsor their dependents has been increased as announced by the Nationality, Passports and Residence Affairs Authority. Previously, the minimum salary requirement was BHD 250. The measure which has been put in place is effective immediately as of March 2021, and now means that expats must earn the following:

- BHD 1,000 per month for sponsoring dependents aged 24 and older
- BHD 400 per month for sponsoring dependents under the age of 24

In addition, all dependents must have valid, local health insurance in place.

Wage Protection System

On 28 March 2021, the Minister of Labour and Social Development announced the introduction of a new Wage Protection System (WPS) for employees in the private sector, which is due to be introduced in May 2021.

The implementation of the new system is expected to be rolled out in three phases according to the size of a company's workforce, and means that employers who fail to comply with the new measure or fail to pay their employees' salaries on time will be subject to legal action or penalties.

- Phase 1: to be implemented on 1 May 2021 and targets employers with 500 or more employees;
- Phase 2: to be implemented on 1 September 2021 and targets employers with 50-499 employees; and
- Phase 3: to be implemented on 1 Jan 2022 and targets employers with 1-49 employees.

Companies are required to begin implementing WPS in advance of their respective deadline. The move has been introduced as a means to provide a more stable work environment, whilst also granting employees with greater transparency and security.

Qatar

Transfer of sponsorship

The state of Qatar has updated its requirements for applications in transferring sponsorship. Following on from the landmark announcement in August 2020 which included removing the requirement for a No Objection Certificate (NOC) when changing employers, it is now understood that the NOC from the current employer is now needed.

The NOC which needs to be addressed to the Labour Department must now be provided in support of the

application, otherwise it will be rejected.

Processing timelines have also increased for the approvals from the Labour Department which are now taking approximately two months to be approved, as opposed to 3-4 weeks previously.

Minimum Salary

Law No. 17 of 2020 on Setting the Minimum Wage for Workers and Domestic Workers (the law) which was announced in August 2020, has now come into force. The law introduces a statutory minimum salary for all private sector employees employed outside of the Qatar Financial Centre, including domestic workers. Essentially, all employees must receive a minimum basic salary of QAR 1,000 per month. Employers must also pay a further QAR 500 for accommodation and QAR 300 for food; unless the employer provides adequate accommodation and food.

Key takeaway

As other nations in the GCC have tightened their immigration rules in recent months, the UAE has further expanded its range of visas, providing wider options to individuals all over the world to visit, live and work in the country.

Labour reforms in KSA signal major changes for both employers and employees alike, and they form a continued drive to expand Saudisation measures this year. The introduction of a digital COVID-19 passport in Bahrain is one of the first of its kind, and we will monitor the impact of such a passport, whether other countries will also roll out a similar digital passport, and how this will affect travel as we move into the second quarter of 2021.

www.pwc.com/me

How can we help?

We understand that this is a challenging and unpredictable time for many companies and their employees. We can help to:

- Advise on changes highlighted in this round-up, from the introduction of the Remote Working Visa in the UAE, and the announcement of a Professional Verification Scheme in KSA;
- Assist with advising on travel bans across the GCC, and navigating/managing various requirements;
- Provide up-to-date advice on travel restrictions and COVID-19 testing requirements as well as options for employers in relation to policies around vaccinations; and
- Strategise your company's hiring needs into the GCC.

Let's talk

For a deeper discussion of how these issues might affect your business, please contact:

Mark Schofield

Middle East Tax and Legal Services Leader
T: +971 (0) 4 515 7250
mark.d.schofield@pwc.com

Darren Harris

Middle East Legal Services Leader
T: +971 (0) 4 304 3309
darren.harris@pwc.com

Anir Chatterji

Middle East Immigration Leader
T: +971 (0) 4 304 3922
anir.chatterji@pwc.com

Natalie Jones

Middle East Employment Law Leader
T: +971 (0) 56 177 7653
natalie.j.jones@pwc.com