

EMPLOYMENT CONTRACTS IN DMCC – AT A GLANCE

The purpose of the following guidance is to provide DMCC member companies with a clearer understanding of the rules and laws governing employment contracts. Since this is not a full version, members are advised to refer to the UAE Labour Law No (8) of 1980 and the DMCC Free Zone Rules and Regulations prior to making any decision based on this summary.

[] numbers in brackets refer to the clause number in the regulations.

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GOVERNING RULES AND LAWS

The governing documents for the employment affairs in the Free Zone are:

- U.A.E. LABOUR LAW No. (8) OF 1980
- DMCC Free Zone Rules and Regulations

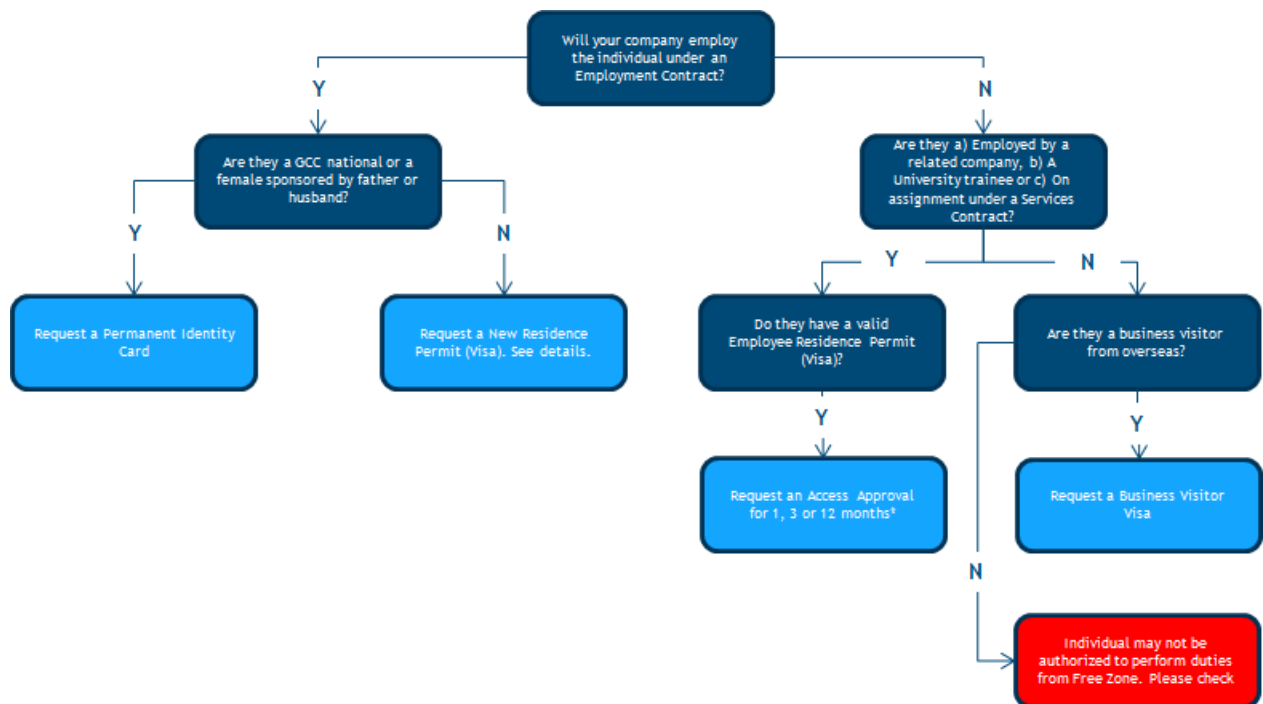
EMPLOYMENT CATEGORIES

Listed below are the employee categories and the requisites to work in the Free Zone:

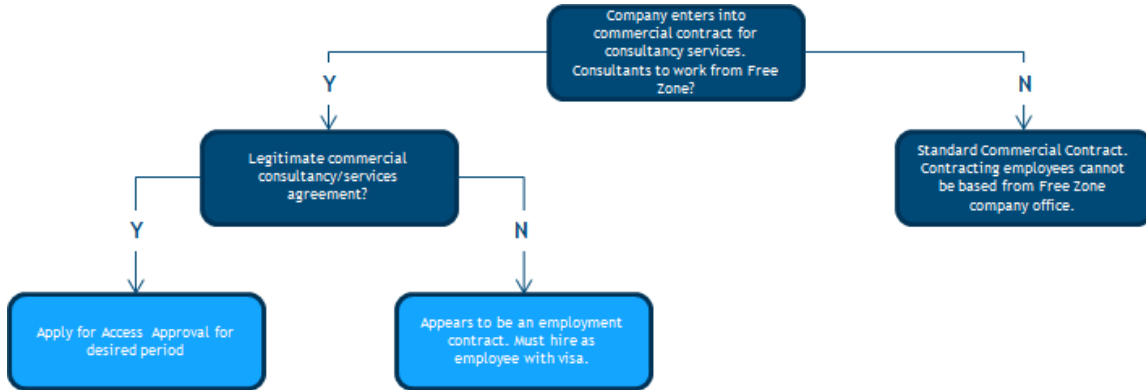
Sponsored Staff		Employment residence permit (visa) from free zone employment card
Non – Sponsored Staff	Sister company	Valid visa with online access approval
	Father / husband sponsorship	Valid visa with identity card
	Temporary worker	Access approval
	UAE & GCC nationals	Identity card

- It is illegal for any employer to retain the services of an employee without a valid authorisation to work in the Free Zone, as shown above and below.
- Companies that have obtained their license from the Free Zone are eligible to apply for entry permits through Free Zone.

The flow chart below assists in determining what type of authorisation must be obtained from DMCC for a sponsored or non-sponsored employee or business visitor.



The following flow chart explains the requirements when a Free Zone company enters into a consultancy agreement with another company and one or more of the consultants are expected to work from the Free Zone company premises for part or all of the contract period.



RESIDENCE EMPLOYMENT VISA

It is a 3 step process and the following documents are obtained.

Please refer to www.dmcc.ae for all application requirements.

1. Entry permit

An Entry Permit must be obtained to commence the employment visa process.

United Arab Emirates
MINISTRY OF INTERIOR
General Directorate of Residence & Foreigners Affairs

جمهورية الإمارات العربية المتحدة
وزارة الداخلية
الإدارة العامة للإقامة وشؤون الأجانب

EMPLOYMENT / عمل / هـ -

ENTRY PERMIT No.: 7102526/201/2013
Date & place of issue: 14-MAY-2013 DUBAI Valid Until: 12-JUL-2013
U.I.D. No: 128156939
Allowed to Enter U. A. E. to:
Full Name:
Nationality: PHILIPPINO
Place of Birth:
Date of Birth: 02-JUL-1987
Passport No.:
Profession: WAITRESS
Accompanied by:
Wife: None
Children: None
None
Sponsor: DUBAI MULTI COMMODITIES CENTRE
Address: 3903899 P.O.Box:48800 BUR DUBAI 2/6/26
NOTES:
1080958/1
Director Entry Permits & Residence Department
please turn over

2. Medical Fitness Certificate

After the entry permit has been activated (either by entering the country or by completing visa position amendment process in-country), the employee must undertake a medical test which is returned to DMCC along with the passport.



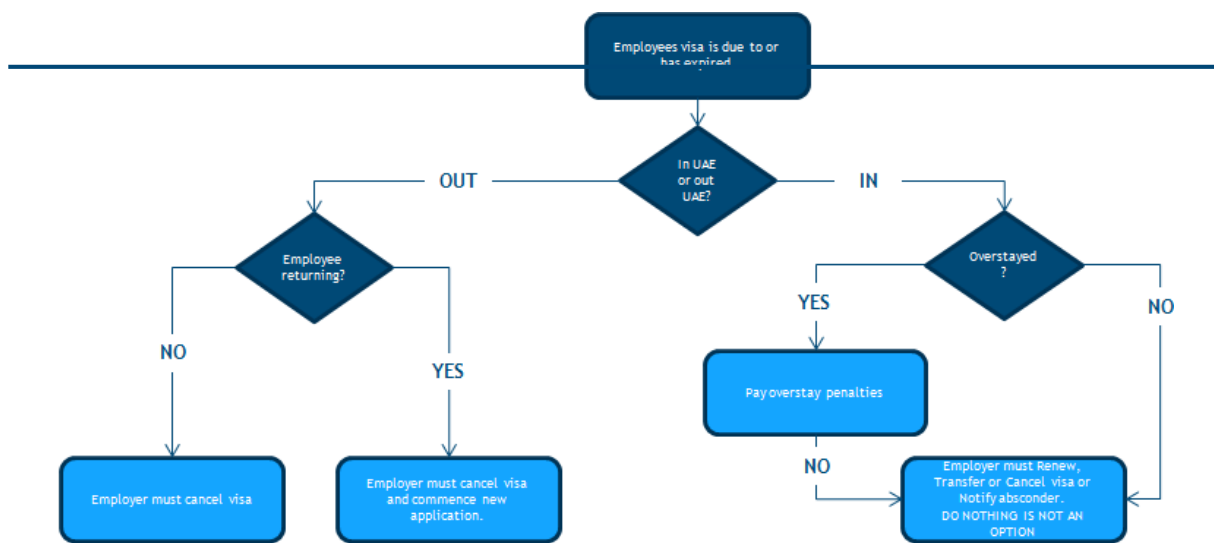
3. Employment visa stamp

Also referred to as Residence Permit, this stamp is placed in the employee's passport and entitles them to live a work in Dubai for the mentioned sponsor.



On, before or after the expiry of an employment visa, the sponsoring company must take one of the actions listed below. Please note that fines shall apply if action is taken after the visa has expired.

- Renew the employment visa
- Transfer the employment visa to another sponsor
- Cancel the employment visa
- Report the employee as absconded including one that has expired, must be either Renewed, Transferred or Cancelled



TYPES OF CARDS/APPROVALS

Identity card (PIC)

Ladies under husband/father sponsorship and for GCC passport holders (male and female) should be holding an Identity card while working within the Free Zone.

Access Approval

Those who are eligible for an access approval will obtain for a selected period. This will be a e-document that can be printed from the member company's portal.



EMPLOYMENT CONTRACTS

DMCC provides an employment contract template that complies with the Labour Law and Free Zone Rules and Regulations and is mandatory for all employees, except those authorised to work from the Free Zone under an Access Approval.

- DMCC strongly advises employers against having any other employment contract in addition to the DMCC employment contract, as in the event of dispute this may cause ambiguity.
- Submission of Employment Agreement to Free Zone is mandatory – initially and with every renewal & amendment. Employment agreements are of two types;
 - Limited
 - Unlimited

AMEND COMPANY'S EMPLOYMENT CONTRACT - MASTER TEMPLATE

- Employers may add further clauses to the DMCC employment contract template provided they are in compliance with the applicable rules and laws.
- This process is completed online. See the Applications Guidelines for Employment Contract Master Template, which mentioned under the Company Services.
- Company may include the standard employee code of conduct.
- Company may invoke Article 65 of UAE Labour Law. By choosing this, working hours for the employees of commercial establishments, hotels, restaurants, watchmen and similar operations may be increased to nine hours per day.
- Apart from the above selection, company may include the customized requirements of the company as additional clauses. These clauses will be subject to the approval of DMCC Legal team by ensuring its applicability under UAE LabourLaw.

GUIDANCE ON MAIN AREAS OF CONCERN

Most common Areas of concern	LIMITED		UNLIMITED	
	Resignation	Termination	Resignation	Termination
End of service	Not eligible, if service is less than 5 years.	<ul style="list-style-type: none"> 21 days pay for each year of service until the 5th year, if the employee completed 1 year of service. 30 days of pay for each addition year. 	<ul style="list-style-type: none"> Entitled to one third of the end of service if the service is more than 1 and less than 3 years. Entitled to 2/3 of the said gratuity, if the period is more than 3 years and less than 5 years Entitled to entire gratuity, if service exceeds 5 years. 	<ul style="list-style-type: none"> 21 days pay for each year of service until the 5th year, if the employee completed 1 year of service. 30 days of pay for each addition year.
Annual leave	Entitled to an annual leave, if the service is one or more years.	Entitled to an annual leave, if the service is one or more years.	Entitled to an annual leave, if the service is one or more years.	Entitled to an annual leave, if the service is one or more years.
Compensation	45 days pay to employer	90 days pay to the employee	-	-
Notice period (Article 115&116 of UAE Labour Law)	As per the contract; minimum 30 days.	As per the contract; minimum 30 days.	As per the contract; minimum 30 days.	As per the contract; minimum 30 days.
Renewal	If not renewed explicitly, the agreement will be considered as unlimited.		Unlimited agreements are prepared for indefinite term.	
Submission to Free Zone	Initial agreements as well as the Amendments/renewals have to be submitted to DMCC.			
Termination of Agreement during Annual Leave	Termination of an employee's service by the employer while he is on annual leave shall be considered as arbitrary dismissal and such employee can claim compensation from the employer together with end-of-service benefits.			
Repatriation	<ul style="list-style-type: none"> Termination of contract is attributed to the employee; his repatriation will be arranged at his own expense. Termination of contract is attributed to the employer; his repatriation will be arranged by the employer as agreed previously. 			

MEDIATION SERVICES

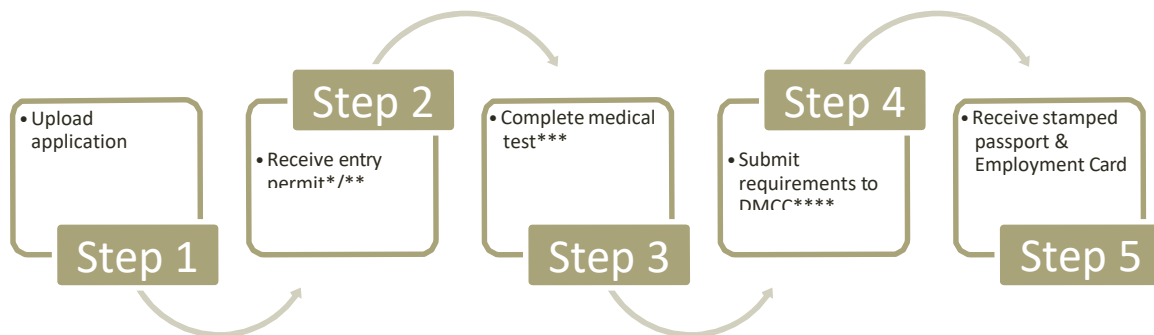
DMCC's trained lawyers and mediators are available by appointment to mediate disputes that the employer/employee has been unable to resolve internally.

For details of the process please contact the DMCC Contact Centre on 800 3622 or +971 (0)4 4249600 or email mediation@dmcc.ae

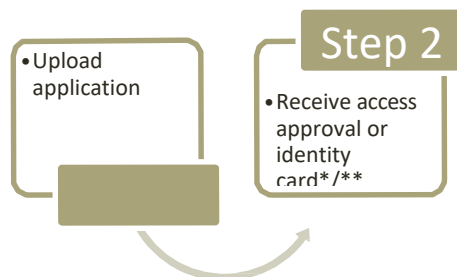
APPLYING FOR VISAS, ACCESS CARD AND/OR IDENTITY CARDS

All applications are processed on the DMCC portal.

Apply for an employee residence permit visa



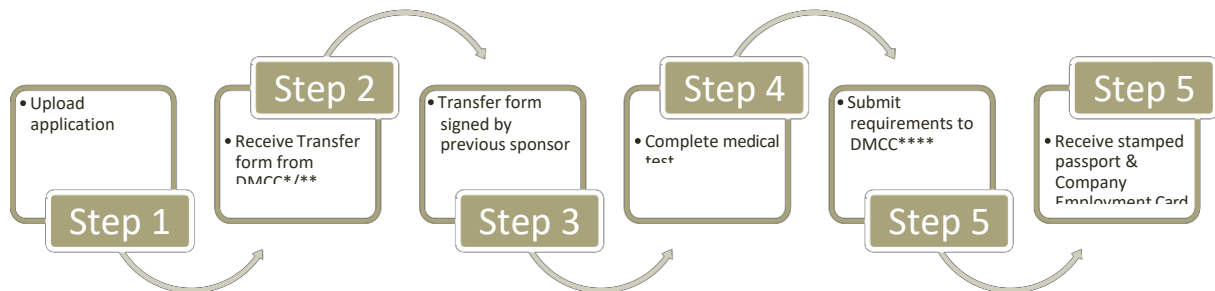
Apply for an access approval or identity card



Apply for transfer to DMCC from other sponsor

An employee of a Free Zone company who is transferring to another Free Zone Company requires an NOC from the current employer, if the service period is less than two years.

Any applications after two years of service do not require an NOC from the current employer.



*The entry permit will be couriered to the company address within JLT. Only for those companies on Flexi-desk can the entry permit be collected from DMCC Member Service counter by the authorised personnel from the company.

**Those employees already inside the country on a Tourist Visa must exit and re enter the country with the new entry permit within the time period in order to stamp the visa in the passport.

***DMCC publishes a list of locations where the medical test can be performed at www.dmcc.ae

****Refer to the DMCC Requirements list at www.dmcc.ae