



UNITED ARAB EMIRATES

Hire international talent in
United Arab Emirates



EMERALDTECHNOLOGY



Employment details in the United Arab Emirates

To start growing your team in the United Arab Emirates, you must establish a local entity, including an account with a local bank, a local office and an address registered as a subsidiary. This allows you to manage payroll, tax, benefits and compliance for your employees, but can take several months.

Emerald Technology can hire and payroll your workers, quickly and compliantly with their ready to go entity. So, no more worrying about compliantly managing your international payroll. We handle everything in over 150 countries.

Make growing your team simple with Emerald as a global partner.



Currency

United Arab Emirates
Dirham, (د.ا., AED)



Employer Costs

Estimated 12.5% of
employee's salary



Onboarding

One day - One week
with Emerald Technology



Payroll Cycle

Monthly



Employer Costs

Cost	Rate
Social Security - Emirate local citizen	12.5%

Benefits

Mandatory

Employers are required to offer the following benefits to all full-time employees:

- Pension - citizens only
- Social Security - citizen only
- Unemployment - expats only
- Private Health Insurance
- Paid Annual Leave
- Gratuity - expats only

Employment

Contract

As part of the residence visa and employment permit application process, all workers in the UAE must enter into a standard template-written dual language contract provided by the Ministry of Human Resources and Emiratisation. It is advised to include the following:

- Contact details; Name, address, email, phone number
- Job Title
- Country of employment
- Line Manager
- Salary details and currency
- Bonus and commissions
- Housing and car/transport allowance
- Start date and end date if applicable
- Working hours, overtime and probation details
- Annual leave/ vacation allowance
- Benefits



Emerald Technology can create a compliant contract in United Arab Emirates in 1 day



Probation Period

The probation period in UAE for permanent employees is generally between three and six months. UAE Labour Law stipulates a minimum of 14 days' notice when terminating an employee on probation.

Restrictive Covenants

It is acceptable to include restrictive covenants in the employment contract, provided that the employee is at least 21 years of age when entering into the restrictions, the employee has become acquainted with the employer's clients or confidential information, and the covenants are limited in relation to their duration, geographic scope and the nature of the business to be protected. Parties are permitted to include a liquidated damages clause in the employment contract as it is not possible to obtain an injunction onshore in the UAE, although there are rules against 'exorbitant' penalties being applied in employment contracts under the Civil Code. It is possible to seek a ban on the employee's residence visa if they are in breach of a restrictive covenant which would prevent them from working in the territory of UAE. Non-compete clauses and customer non-solicit clauses typically last no longer than 6-12 months. Employee non-solicits are also permissible.

Insurance

Healthcare

In the UAE employers are required to provide health insurance coverage for their employees. Employees are required to obtain insurance cover for their resident dependants.

Social Security

For local citizens, the employer is required to contribute 12.5% Social Security (basic social security plus housing allowance, based on monthly minimum of 1,000 AED and maximum of 50,000 AED). A higher rate is applied in the Emirate of Abu Dhabi, where the employer is required to contribute 15%.

Leave Policy

Maternity Leave

Expectant mothers are entitled to 60 days' maternity leave, paid at 100% of the regular salary rate for the first 45 days and 50% for the remaining 15 days. Employees can take maternity leave before and after the due date. Employees are also entitled to take up to 45 days (consecutive or intermittent) of unpaid leave in the event of any post-partum complications, upon producing a medical certificate.

Paternity Leave

There is no provision for paternity leave in UAE law but for private-sector employees, both parents are entitled to five days' paid leave, which can be taken any time until the child reaches the age of 6 months.

Sickness Leave

Employees are entitled to up to 90 days' sick leave per year, only applicable after the end of their probation period. The sick leave can be continuous or intermittent, and is payable as follows:

- First 15 days: 100%
- Next 30 days: 50%
- Remaining 45 days: Unpaid

During their probation period, employees may be granted sick leave without pay, subject to the approval of the employer and based on a medical report that stipulates the necessity of the leave.

Onboarding

Details

As the legal employer, Emerald Technology requires the following employee documents to ensure complete compliance:

- Information required for employment contract
- Passport / ID
- National ID copy
- CV

Emerald Technology can onboard employees in the UAE in 1 day - a week



Resignation and Dismissal

Details

The termination process is standard in UAE and based on Labor Law requirements, unless an employer can provide sufficient cause for dismissal without notice. A minimum of 30 days' mandatory notice is required, which must be put in writing and sent to the relevant governmental authorities.

Severance

Severance pay is determined by length of service and, if applicable, must be paid within 14 days of the termination date. An employee who has completed one year or more of continuous service is entitled to 21 calendar days' basic salary for each year of the first five years of service, and 30 calendar day's basic salary for each subsequent year of service, provided that the entire total remuneration does not exceed two year's salary. Subject to change down to employers discretion.

Statutory Time Off

Annual Leave

Employees with greater than six months' service but less than a year's are entitled to a minimum of two days' paid leave for each month they are employed. Once the continuous service period exceeds on a year, employees are entitled to 30 days' paid annual leave.

Public Holidays

There are 14 official public holidays in the UAE.

- New Year's Day
- Eid al-Fitr
- Day of Arafat
- Eid al-Adha
- Islamic New Year
- Prophet Muhammad's Birthday
- Commemoration Day
- UAE National Day

Ready to expand your workforce to UAE?

Book a free consultation with our experts today, [click here](#).



Work, Pay and Taxes

Minimum Wage

For expats, there is no mandatory minimum wage. For UAE nationals, the minimum wage is determined by the level of education:

- No high school certificate: 3,000 AED
- High school certificate: 4,000 AED
- College degree or higher: 5,000 AED

Working Time and Overtime

Working hours in the UAE must not exceed eight hours per day, or 48 hours per week over a six-day week. Working hours can be increased to nine hours per day for some types of business. During Ramadan, working hours are reduced by two hours per day. All work above the standard weekly working hours must be paid as overtime and is regulated by employment contracts. In general, overtime is calculated at 125% for hours worked between 9pm and 4am, and at 150% for hours worked at any other time. Fridays must be paid at 1.5x regular salary, plus a compensatory day off.

Salary Payments

The payroll cycle in the UAE is generally monthly, with payment made on the last working day of the month.

Bonus

Employers in UAE are not required to pay a bonus to employees

Income Tax

There is no personal income tax in the UAE.

Discover how Emerald Technology can **grow your international workforce **risk-free**.**

Emerald is a global expansion partner, supporting B2B tech companies hire, onboard and payroll remotely across 150 countries. Handling local payroll, taxes, benefits and compliance in every region you want to expand your workforce.

Book a free consultation with our experts today, [click here](#).

