

## Measures by the Ministry of Human Resources and Emiratization to help the UAE private sector survive COVID-19

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On 26 March 2020, the Ministry of Human Resources and Emiratization ("MOHRE") issued Ministerial Resolution No (279) of 2020 (the "Resolution") on employment stability in the private sector as a response to the COVID-19 crisis.

The Resolution applies to employers and employees that are under the remit of the MOHRE for as long as there are precautionary measures in place to curb the spread of COVID-19 in the UAE (such as home quarantines, travel restrictions and social distancing measures).

In order to ensure business continuity and to protect both employers and their expatriate employees, private sector businesses affected by the COVID-19 measures can now progressively introduce the following measures, in agreement with their employees:

- 1. Implement remote working.
- 2. Grant paid leave.
- 3. Grant unpaid leave.
- 4. Introduce a temporary pay cut.
- 5. Introduce a permanent pay cut.

Temporary pay cuts can only be introduced by use of a specific template addendum to the employment agreement. The addendum expires by the expiry of either its term or the application period of the Resolution, whichever is earlier. Permanent pay cuts are only allowed if approval of MOHRE is obtained.

The Resolution further promotes solidarity between employers by requiring businesses with excess manpower to register their employees in the Virtual Labour Market, an AI supported electronic platform that was launched by MOHRE in Q4 2019 (https://mohre.hyrdd.com). Other businesses can then make use of these employees through use of the platform. The original employer remains responsible for accommodation and other entitlement costs, apart from salary, until the employee leaves the UAE or obtains a permit to work for another business.

Due to current travel restrictions, overseas hiring has ceased. The Resolution requires businesses to upload their vacancies to, and UAE-based expat job seekers to register their profiles with, the Virtual Labour Market platform, allowing AI technology to match make employees to employers.

Work permits for new hires must be requested online through MOHRE's smart system. Available permit categories include a work permit for the transfer to another employer, a temporary work permit or part time work permit.

In times of acute uncertainty, the Resolution offers useful guidance to employers in the UAE and may help mitigate some adverse effects of the global pandemic.