

MINISTERIAL RESOLUTION NO. (1205) FOR 2013 LICENSING AND REGULATION OF PRIVATE RECRUITMENT AGENCIES

The Minister of Labor:

- HAVING REVIEWED FEDERAL LAW NO. (1) OF 1972 ON THE COMPETENCIES OF THE MINISTRIES AND POWERS OF THE MINISTERS AND ITS AMENDMENTS,
- FEDERAL LAW NO. (8) OF 1980 AND THE AMENDMENTS
 THERETO REGARDING THE REGULATION OF WORK
 RELATIONSHIPS, AND
- MINISTER OF LABOR RESOLUTION NO. (1283) OF 2010
 REGARDING THE LICENSING AND REGULATION OF SPECIAL
 RECRUITMENT AGENCIES, AS AMENDED

Decrees:

Article (1)

The following words and statements, whenever mentioned in this Resolution, shall have the meanings provided next to them unless otherwise specified in the text:

The State: The United Arab Emirates.

The Ministry: Ministry of Labor.

The Minister: Minister of Labor.

Private Recruitment Agency: Any natural or legal person for whom a permit was issued to practice all or some of the activities mentioned in Article (2) of this Resolution.

Agency: Private Recruitment Agency.

License: The written permit issued by the Ministry in accordance with the provisions of this Resolution and the regulations or decisions pertaining thereto to exercise the work of the Agency.



Employer: Any natural or legal person who employs or wishes to employ one or more people for a wage of whatever type.

Employee: Any natural person looking for work or working at any employer.

Employment: Employing any worker present inside the State in accordance with the relevant regulations.

Recruitment: The introduction of a natural person into the country for the purposes of employing him in accordance with the regulations in force.

Article (2)

The exercise of each or some of the following activities shall be considered exercising the work of an Agency:

- a. **Mediation** between the parties of the work or their representatives and negotiating on their behalf in relation to the conditions of the contract and the employment, whether this may or may not lead to a work relationship, and without the Agency becoming a party in the work relationship that might arise as a result of such mediation. This activity includes the collection and maintenance of a database or information on the employees, work opportunities available, employment requests, and any other related information, to be put at the disposal of the interested party.
- b. Temporary Employment by using the employee for the purpose of enabling a third party (employer), whether that third party was a natural or legal person, to execute a job or service under the supervision and management of that employer. In this case, the Agency becomes an employer with a direct work relationship with the concerned employee. The two cases mentioned in items (a, b) of this Article apply regardless of whether the employee is recruited from abroad or is initially present in the country.



Article (3)

- a. It is prohibited to exercise any of the Agency activities mentioned in Article (2) of this Resolution without acquiring written and express permission from the Ministry specifically for this purpose and in accordance with the provisions of this Resolution and the regulations and instructions pertaining thereto.
- b. A person may acquire two independent permits to practice the two activities mentioned in Items (a, b) of Article (2) of this Resolution, provided he meets the conditions of practicing each of them separately.

Article (4)

The following conditions must be met by all those applying for a permit to practice any of the activities of an Agency:

- a. Must be a fully competent Emirati national if a natural person, or that every partner in the company applying for that permit is an Emirati national.
- b. That the natural person, or any of the partners in the legal entity, had not been sentenced in a crime involving moral turpitude, dishonesty, human trafficking, or any of the crimes mentioned in the law regulating work relationships or the resolutions issued for its implementation, unless such an individual has been rehabilitated (if the conviction against him was to restrict freedom), or after one year from the date of the ruling if it was a fine.
- c. To provide the Ministry with a bank guarantee for a value no less than three hundred thousand Dirhams throughout the period of permit validity if practicing any of the mediation activities, and no less than one million Dirhams if practicing temporary employment activities. This guarantee must be automatically renewable.



The Ministry may allocate all or part of the guarantee stipulated in this article to settle any sum that may be payable by the Agency as a result of its default in its obligations under the provisions of this system and not abiding by the instructions and Decisions issued under it.

- d. Shall have a headquarters with a clearly defined address solely for practicing Agency business, and this headquarters must be licensed for that purpose in accordance with the criteria stipulated in the instructions and executive procedures issued based on this Resolution. Agency work may only be practiced through the specified headquarters.
- e. To submit a written pledge not to make any changes to the body of associates, whether by addition or withdrawal, without the written consent of the Ministry.
- f. The Agency shall employ a sufficient number of administrators and supervisors, who will have appropriate experience in their field of work.
- g. The Agency manager, as well as the authorized signatory for legal matters, must be Emirati nationals, with university degrees and appropriate experience in this field.
- h. To pay the legally requested fees upon the initial approval of license to practice the requested activity.
- i. Must not be the owner or partner of an establishment that has repeatedly defaulted on its payment of employees' wages in accordance with the conditions and regulations at the Ministry, or be found to have owned fictitious establishments, or had committed a fundamental violation of the housing requirements.
- j. To submit a written pledge, if applying for a license to practice the activity of a temporary employment Agency, of the following:



- 1. The employer shall implement all the obligations imposed by the regulations in force in the country (such as the payment of wages, housing, etc.), and pay two thousand Dirhams as insurance for every recruited employee, in addition to what is stipulated in Cabinet of Ministers RESOLUTION NO. (27) for 2010, regarding the fees and fines for services provided by the Ministry of Labor.
- 2. The total number of employees working for third parties at any time must not be less than twenty employees, and the durations of their employment with their employers must not exceed the durations specified by the Ministry for this purpose.

The Minister may exempt the applicant from some of the conditions mentioned in this Article, without violation of the guarantee of employee rights, if the Agency works mostly in employing nationals.

Article (5)

- (a) The Ministry may revoke the license of an Agency or temporarily suspend it from operating for a maximum of one year, in any of the following cases:
 - 1. If the license holder does not meet any of the conditions upon which his license was issued under this Resolution.
 - 2. If any of the documents or data submitting for licensing purposes are found to be untrue.
 - 3. If the Agency violates the provisions of this Resolution, the regulations and instructions pertaining thereto, or related legislation.
 - 4. If the Agency commits any act involving some form of forced labor or human trafficking.
 - 5. If the license is not renewed according to the instructions pertaining thereto.



(b) The decision to revoke the license shall be issued by the Minister. With the exception of the cases mentioned in Item (4) of this Article, revocation shall not take place without prior warning to the Agency to amend the violation within the specified period.

Article (6)

The Agency is prohibited from:

- (a) Employing or recruiting any worker who falls under the category of children not permitted to work according to applicable laws in the country.
- (b) Acquiring, directly or indirectly, from the worker himself or through mediation, any sums, monies, rights or gains under the name of commission, fees, or anything else for any reason and through any means whatsoever. The Ministry may oblige the Agency to submit a pledge to such effect, while obliging it to refund to the worker any amounts paid to any entity or person inside or outside the country with whom the Agency had dealt on the matter.
- (c) Exercising its activity to serve any employer for the purpose of providing him with labor force or substituting employees for others at a time when the employer is facing group labor disputes, or if a decision has been issued to suspend his establishment.
- (d) Conducting business with any person or other Agency, whether in the country or abroad, for the purposes of recruiting labor force and using them temporarily, unless that person or Agency is licensed to exercise that activity in accordance with applicable laws in the country providing the labor force or in the United Arab Emirates.
- (e) The temporary employment Agency shall not employ its workers at another Agency regardless of the latter's activity.

Article (7)



The Agency may open branches within the same Emirate where it is licensed or in any other Emirate after obtaining a new permit from the Ministry.

Article (8)

The Mediation Agency shall be responsible for returning the worker to his country at its own expense, as well as being responsible for the harm it may cause to others as a result of its activity, without prejudice to the authority of the Ministry to impose any applicable administrative procedures on the Agency, in any of the following cases:

- 1. The Agency's failure to adhere to the conditions of the agreement reached with the employer.
- 2. The worker's failure to pass the medical examination, or if he is found to be unfit to work according to official medical reports.
- 3. The failure of the worker to meet the qualifications, level of skill, or specialization required for employing him.
- 4. The worker's failure to sign the draft contract to be endorsed by the Ministry prior to his recruitment.

Article (9)

The Agency shall adhere to the following:

- The contracts it signs with the employer and employee shall be written and specifically recognize the obligations of each party. If the text of the contract overlooks any obligation, the Agency shall be responsible for said obligation in such case.
- 2. It shall provide proof that the worker signed the draft contract prior to the final commitment with him and before being assigned to work.
- 3. It shall keep records for the employees who were employed by the Agency for a minimum of three years, including all details of each worker, where he was hired, the details of the hiring establishment,



the wage, copies of the contracts, and other details specified by the Ministry.

4. It shall provide the Ministry with quarterly lists of the employment contracts it has signed, including all data pertaining to each worker, where he was hired, the details of the hiring establishment, the wage and copies of the contracts as requested.

Article (10)

The temporary employment Agency shall adhere to the following:

- To implement, at all times, all legally stipulated obligations on any employer towards the employee, except for what has been excluded by special text in this Resolution or in the other Decisions issued by the Ministry. The Agency may not, in any way, fail to implement these obligations due to the employer's failure to fulfil its obligations with the Agency, and it shall be the main party responsible, in all cases, for the implementation of these obligations.
- To not keep the employee with an employer in a way that would exceed the duration of employment specified by the Ministry.
- To provide the employee with a copy of the employment conditions as agreed upon with the employer, and explain the duties required of that employee.
- To provide the employing establishment with employees throughout the agreed upon period without any violation of this Resolution and the decisions issued based thereupon, and at the necessary level of qualifications and skills.

Article (11)

The employer shall be obligated to the employee as follows:

(a) Payment of wages and other gains to the employee in case the Agency delays in payment. This does not negate the Ministry's



authority to take action against the Agency through the stipulated administrative and judicial procedures.

- (b) Ensure all proper occupational health and safety conditions for the worker, in line with the nature of the work and job hazards in accordance with the applicable laws.
- (c) Not assign the employee any jobs or services that fall outside the general framework of the work or service agreed upon with the Agency.
- (d) Not work the employee for more than the hours agreed upon with the Agency, except in accordance with the provisions pertaining to overtime according to applicable laws.
- (e) Provide the employee with the instructions for the duties he is to undertake in writing within the general work framework as agreed with the Agency.
- (f) Show the employee the attendance sheet prior to sending it to the Agency and include in it any reservations the employee may have had regarding the content.
- (g) Notify the Ministry and Agency immediately of any work accidents or injuries the employee sustains.
- (h) Meet all his obligations to the Agency, provided that the said obligations are due to the provision of labor force.
- (i) Not employ the worker at any other party except in accordance with the regulations and instructions issued by the Ministry.

Article (12)

The Agency license shall be valid for one year and renewed annually in light of the continued fulfilment of the conditions required for licensing. It must be renewed within one month from the date of its expiry; otherwise, that license shall be considered null and void, unless the license holder



provides the Ministry with an acceptable excuse within the thirty days following that month. If the license is considered null and void, a new license meeting all the required conditions shall be necessary to resume activity.

Article (13)

The Ministry shall set regulations for the fees the Agency is authorized to obtain from employers in exchange for the services it provides.

Article (14)

All agencies that have already been licensed by the Ministry must meet these conditions within a maximum of six months from the date this Resolution's entry into force, in accordance with the terms and conditions mentioned therein, and as per the instructions pertaining thereto.

Article (15)

The Minister shall specify the competent body within the Ministry for issuing the regulations, instructions and forms necessary to implement the provisions of this Resolution, as well as the procedures that need to be followed to in order to issue permits and resume Agency activities.

Article (16)

Any violation of the provisions of this Resolution shall be considered a violation of the peremptory norms of the decisions issued to execute the aforementioned law regulating work relations. The penalties mentioned in this law shall be implemented in addition to the administrative procedures taken by the Ministry in this respect.

Article (17)

The implementation of the aforementioned Cabinet of Ministers Resolution No. (233) for 1998 shall render any decisions and provisions contrary to or inconsistent with that Resolution null and void.



Article (18)

This Resolution shall be published in the Official Gazette and shall be put into force one month following its publication date.

Saqr Ghobash Minister of Labor

Issued by us in Abu Dhabi on: 23/12/2010