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UNITED ARAB EMIRATES

MINISTRY OF HUMAN RESOURCES & EMIRATISATION

OFFICE OF THE MINISTER

MINISTERIAL DECREE NO. 260 OF 2019

**CONCERNING THE REORGANIZATION OF PRIVATE SECTOR
EMIRATISATION PARTNERS' CLUB**

The Minister of Human Resources and Emiratisation:

Having reviewed

- Federal Law No. (1) of 1972 on Competences of the Ministries and Powers of Ministers and the laws amending it,
- Federal Law No. (8) of 1980 on the Regulation of Labor Relations and its amendments;
- The Resolution of the Council of Ministers No. (26) of 2010, and its amendments, Concerning the Classification of Establishments Governed by the Law on the Regulation of Labor Relations and Determined Bank Guarantees;
- Cabinet Resolution NO. (15) of 2017 on The Service Fees and Administrative Fines in the Ministry of Human Resources and Emiratisation;

- Ministerial Decree No. (956) of 2016 on the Establishment of Private Sector Emiratization Partners' Club;
- Ministerial Decree no. (729) of 2017 on the Controls and Standards of the Classification of Establishments and their Employees and
- Based on the presentation of the Undersecretary for Human Resources Affairs and Acting Undersecretary for Emiratization Affairs,

Decreed

Article (1)

- The following definitions shall be added to Article (1) of the above-mentioned Ministerial Decree on the Establishment of Private Sector Emiratization Partners' Club:
 - High-Priority Emiratization Establishment: An establishment that require employees with high skill levels and conducts business activities in fields like finance, education, health, consulting and communication and has 125 employees or more,
 - Medium-Priority Emiratization Establishment: An establishment that conducts business activities in fields like commerce and retail and transport and has 125 employees or more,

- Low–Priority Emiratisation Establishment: An establishment that does not require employees with high skill levels and conducts business activities in fields like construction, cleaning and security and has 500 employees or more.
- Red–Carpet Service: the package of services provided by the Ministry to all Club members during their daily transactions, including, without limitation, priority in service provision through the quick line, assigning a manager for the account of the Club member establishment and providing certain free awareness services.
- Emiratisation Partners’ Club Guide: The Guide that contains application method and the criteria an establishment must meet to obtain Club membership. The Undersecretary for Emiratisation Affairs issues this Guide.
- Emiratisation Percentage: the percentage resulting from dividing the total number of citizen employees to the total number of registered establishment employees.

Article (2)

1. A private sector establishment shall be granted the membership of the Club by submitting an application for “Membership in

Emiratization Partners' Club" to the competent organizational unit in the Ministry. The application shall be examined according to the Club Guide provided for in Article (1) hereof, to ensure the following membership requirements are met:

- a. That the establishment's record is free from any and all violations to the regulations applicable in the Ministry.
 - b. That the Emiratization percentage provided for in Article (3) hereof is achieved.
2. The membership application shall be decided on within ten business days from the date of submitting it.
3. Upon approval of the application, the establishment shall be provided with a copy of the Club Guide and shall be advised of any updates thereof.

Article (3)

1. Club membership shall fall under any of the following categories:
 - a. Bronze Category.
 - b. Silver category.
 - c. Gold category.
 - d. Platinum category.
2. Club membership categorization shall be determined based on the following Emiratization percentages:

| Category | Percentage in High–Priority Emiratisation Establishments | Percentage in Medium–Priority Emiratisation Establishments | Percentage in Low–Priority Emiratisation Establishments |
|----------|--|--|---|
| Bronze | NA | NA | NA |
| Silver | 4% | 2.5% | 0.5% |
| Gold | 8% | 4% | 1% |
| Platinum | 12% | 7% | 3% |

3. The Ministry shall verify the Emiratisation percentage set out in the table above once every six months as a maximum, to issue the suitable decision thereon according to results achieved in the Emiratisation file.

Article (4)

1. Emiratisation percentage provided for in Article (3) hereof shall be calculated according to its definition set out in Article (1) hereof and according to work permits actually issued to citizens and registered in the Ministry's systems. The number of these work permits shall be calculated according to the following principles:
 - a. Each of the following two cases shall be counted as employment of one citizen:

- i. Permitting the training of two citizens within citizen graduate training program organized by the Ministry.
 - ii. A work permit for a citizen not included in categories B, C, D and H of this Article below.
 - b. A permit issued for a female citizen to work in regions where there are large numbers of job seekers shall be counted as employment of two citizens.
 - c. A permit issued for a male or female citizen of determination shall be counted as employment of two citizens.
 - d. A permit issued for the work of a citizen with a salary ranging from AED 15,000 to AED 30,000 shall be counted as employment of two citizens.
 - e. A permit issued for the work of a citizen with a salary more than AED 30,000 shall be counted as employment of three citizens.
2. The results of calculating Emiratisation percentages set out in paragraphs b, c, d and e above may not be combined if more than one of them is achieved for the same citizen. In this case, the best result for the establishment shall be counted.
3. If a citizen works for more than one establishment at the same time, he/she shall be counted in the establishment in which his/her relationship with the private sector commences.

Article (5)

Establishments members in the Club shall be granted the following benefits and rewards based on membership category:

a) Bronze Category:

1. Work permits shall be issued and renewed according to Category (a) fees, for workers the establishment recruits according to the technical and orientational programs established by the Ministry to enhance cultural diversity.
2. Red carpet service.
3. Club bronze membership badge.

b) Silver Category:

1. Shall be reclassified by upgrading it to category (b) or fixed at its existing category, whichever is better.
2. Work permits shall be issued and renewed for skill levels 1 and 2 approved by the Ministry according to Category (a) classification fees provided for in the Resolution of the Council of Minister No. (15) of 2017 referred to above.
3. Work permits shall be issued and renewed according to Category (a) fees, for workers the establishment recruits according to the technical and orientational programs established by the Ministry to enhance cultural diversity.

4. Work permits shall be issued and renewed according to Category (a) fees, for workers employed under family sponsorship.
5. The bank guarantee can be recovered when all the establishment's workers are insured.
6. Red carpet service.
7. Club silver membership badge.

c) Gold Category:

1. Shall be reclassified by upgrading it to category (b) or fixed at its existing category, whichever is better.
2. Work permits shall be issued and renewed for skill levels 1 and 2 approved by the Ministry according to Category (a) classification fees provided for in the Resolution of the Council of Minister No. (15) of 2017 referred to above.
3. Work permits shall be issued and renewed according to Category (a) fees, for workers the establishment recruits according to the technical and orientational programs established by the Ministry to enhance cultural diversity.
4. Work permits shall be issued and renewed according to Category (a) fees, for workers employed under family sponsorship.
5. The bank guarantee can be recovered when all the establishment's workers are insured.
6. Red carpet service.
7. Club gold membership badge.

d) Platinum Category:

1. Shall be reclassified to category (a).
2. The bank guarantee can be recovered when all the establishment's workers are insured.
3. Red carpet service.
4. Club platinum membership badge.

Article (6)

1. An establishment with bronze membership in the Club shall enjoy the benefits set out for this category in Article (5)(a) hereof only for six months from the date of its membership in the Club, renewable by a decision from the Minister.
2. Bronze membership establishments shall achieve the required Emiratisation percentage during the said six-month period to be moved to the silver, gold or platinum categories and obtain their respective benefits hereunder.
3. An establishment with silver, gold or platinum membership in the Club shall enjoy the benefits set out for this category in Article (5) hereof for one year from the date of its membership in the Club, automatically renewable conditional to the establishment's continuous satisfaction of the requirements of its respective category.

4. An establishment shall forfeit the reduced fees benefit upon its failure to achieve the Emiratisation percentage that entitled the establishment to such reduction.

Article (7)

The membership category of the establishment shall be upgraded and downgraded based on its achievement of the requirements for its respective category.

Article (8)

Establishment holding Club membership shall be subject to regular inspection by the Ministry's control organizational unit, or its designee, as necessary, to make sure the establishment meets the requirements based on which it is granted membership.

Article (9)

Without prejudice to any other established procedures or fines, an establishment shall be no longer a member in the Club if it no longer meets any or all of membership requirements, becomes ineligible to be in any of the Club categories or commits any material violation set out in the Club Guide provided for in Article (1) hereof. If the establishment fails to remedy the reason for losing its membership during the time specified by the Ministry, the establishment shall be

reclassified according to the establishment classification decision applicable in ordinary cases.

Article (10)

The Minister may exempt any establishment from Emiratisation priority classification, the requirements and controls provided for herein and grant the said establishment any category of Club membership to achieve Emiratisation objectives.

Article (11)

This Decree shall enter into force as of the date of its issuance and the competent undersecretary shall take all required action to that end. This Decree shall replace Decree No. 28 of 2018 referred to above and articles 3, 11, 12, 13 and 14 of Decree No. 956 of 2016 Concerning the Establishment of Private Sector Emiratisation Partners' Club shall be cancelled.

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Nasser Thani Al Hameli

Minister of Human Resources and Emiratisation

Issued on 21/3/2019