**ADMINISTRATIVE DECISION NO.(23) OF 2022**

**CONCERNING WAGES PROTECTION SYSTEM (WPS)**

**Undersecretary for Human Resources Affairs:**

**Having considered:**

* Federal Law No.(1) of 1972 on the competencies of the Ministries and Powers of the Ministers and amendments thereof,
* Federal Decree-Law No. (33) of 2021 concerning Regulation of Labor Relations, And Cabinet Resolution No. (1) 2022 regarding the executive regulations of Federal Decree-Law No. (33) of 2021 regarding the Regulation of Labor Relations,
* Cabinet Resolution No. (21) of 2020 regarding service fees and administrative fines in the Ministry of Human Resources and Emiratisation, and any new decisions,
* Cabinet Resolution No. (43) of 2022 regarding Wages Protection System
* Administrative Decision No.(8) of 2022 regarding Wages Protection System
* In pursuance of public interest

**Has Resolved**

1. The establishment shall be considered in a repeat violation in accordance with paragraph No. (7) of Article No. (2) of Ministerial Resolution No. 43 of 2022, if the violation to the aforementioned ministerial decision is repeated within six months.
2. If the worker is granted a leave without pay, the employer shall notify the Ministry through the means approved by the Ministry and shall complete the relevant form attached hereto.
3. An Employee convicted by a definitive judicial decision and is sentenced to imprisonment in one of the penal or correctional facilities for a period not exceeding one (1) month shall be excluded.
4. Administrative Decision No.(8) of 2022 referred to is hereby repealed, and any provision inconsistent with the provisions of this decision shall be repealed.
5. Procedures and operations prepared in the Ministry’s systems provided for in this guide shall be implemented and the organizational units in the Ministry shall take the necessary actions for the enforcement of this guide, and it shall be effective from the date of its issuance.

**Khalil Ibrahim El Khoury**

**Acting Undersecretary for Human Resources Affairs**

Issued 06/04/2022

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| **Procedure name** | **Registration in the Wages Protection System (WPS)** | |
| **Targeted Establishments** | All private sector establishments registered in the system of the Ministry of Human Resources and Emiratisation. | |
| **Service Description** | Establishments shall subscribe in the Wages Protection System to transfer its employees’ wages via banks, bureau de change, and financial institutions approved and authorized to provide the service. | |
| **Process** | **Procedure** | **Responsibility** |
| The establishment must be registered in the system of the Ministry of Human Resources and Emiratisation. | Employer |
| The establishment must have a bank account with one of the banks operating in the country.  The establishment must have an account with one of the agents approved by the Central Bank if it does not possess a bank account (banks, bureau de change, or any other financial institution approved and authorized by the Central Bank) | Employer |
| The establishment must conclude WPS Agreement with the bank or agent (banks, bureau de change or any other financial institution approved and authorized by the Central Bank) for the purpose of providing WPS services for its employees. | Employer  Approved WPS Agents |
| The employer guarantees that the employee has a bank account with one of the authorized agents.  If the employee does not have a bank account, the employer shall open a bank account for the employee with one of the authorized agents | Employer  Employee |
| The establishment shall bear all costs and expenses arising from subscribing to this system, such as bank commissions, service agent fees, etc, and no employee shall be obliged to pay such costs by way of deducting from his wage, either directly or indirectly. | Employer |
| **Service Channels** | Through agents approved by the Central Bank (banks, bureau de change or any other financial institution approved and authorised by the Central Bank of the UAE to offer WPS services). | |

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| **Procedure name** | **2. Salary Transfer through the Wages Protection System** | |
| **Targeted Establishments** | All private sector establishments registered in the system of the Ministry of Human Resources and Emiratisation | |
| **Service Description** | Establishments shall pay the wages of their employees through banks and bureau de change, thus the system has been developed with a technology that allows the Ministry to review and track the payment process of employees’ wages in the private sector in cooperation with the Central Bank, and the establishment’s compliance with payment of the agreed upon- wage on the due date. | |
| **Process** | **Procedure** | **Responsibility** |
| The employer shall prepare the Salary Information File (SIF) for the establishment’s employees, which includes the establishment’s account number and the following details:   * Employee total salary * Salary Period (Pay month) * Employee bank account details | Employer |
| The employer shall send an order to pay the employees’ wages from his account with the authorized agent (banks, bureau de change or any other financial institution approved and authorized by the Central Bank) attaching the **SIF** | Employer |
| The authorized agent shall send the funds and the SIF to the Wages Protection System (WPS). | Approved WPS Agents |
| Information and details provided by the authorized agent entered into the WPS will be reviewed and approved (matching the establishment and employees data with the data provided in the system of the Ministry of Human Resources and Emiratisation, reconciling the employer and employees bank accounts details in the Central Bank System) | Ministry of Human Resources and Emiratisation |
| The authorized agent shall transfer funds and SIF to employees’ bank accounts. | Approved WPS Agents |
|  | The establishment shall pay the wages of its employees on the due date through Wages Protection System (WPS). Employee’s wage shall be due from the first day of the month following the registered payday as specified in the employment contract. |  |
| **Service Channels** | Agents approved by the Central Bank (banks, bureau de change or any other financial institution approved and authorised by the Central Bank of the UAE to offer WPS services). | |

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| **Procedure Name** | **3. Inspection visits to check establishments’ compliance with the requirements and controls of payment of wages.** |
| **Process Description** | Inspection visits to ensure the proper implementation of payment of wages in accordance with the provisions of the Cabinet Decree concerning Wages Protection System. |
| **Service Type** | Regulative |
| **Targeted Establishments** | All establishments in accordance with the Cabinet Decree concerning Wages Protection System |
| **Service Index** | According to the periods specified in the Decree concerning the Wages Protection System |
| **Input** | **Non- compliant Establishments** |
| **Process Mechanism** | 1. Access data received from the Ministry's systems 2. Automatic distribution of establishments according to the inspection system 3. The Inspector shall obtain a printout of the assignment from the system 4. The Inspector shall commence the inspection visit 5. Fill out the inspection form and the visit requirements through the inspection system 6. Prepare a notice of Late Payment of Salaries in case the establishment fails to pay wages after the due date. 7. Concerned official shall review and approve the Inspection Report and the Notice of late payment form. |
| **Output** | * Inspection Report * late payment of wages notice form, if any |

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| **Procedure Name** | **4. Correction of Salary Period (Pay Month)** | |
| **Targeted Establishments** | Establishments that have an error in Salary Information File (SIF) for a specific month | |
| **Service Description** | Adjusting the salary file that was deposited in error prior to the maturity date. | |
| **Process Mechanism** | **Procedures** | **Responsibility** |
| **Service Channels** | The establishment shall request a letter from the authorized agent through which the wages are transferred indicating the salary file that was deposited in error | Employer  Approved WPS Agents |
|  | The employer shall apply for “Employee Exclusion” service through the system of the ministry and attach the letter issued by the authorized service agent | Employer |
|  | The adjustment application is sent to the Digital Department officer for verification and approval. | Digital Department officer |
|  | The system reflects the data into the Wages Protection System | Wages Protection System |
| **Service Channels** | Ministry application, website, Tas’heel system | |

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| **Procedure Name** | **5. Leave without Pay** | |
| **Targeted Establishments** | Establishments with employees who obtained a leave without pay. | |
| **Service Description** | Establishments applying for exclusion of employees who obtained a leave without pay for a specific period of time | |
| **Process Mechanism** | **Procedures** | **Responsibility** |
| **Service Channels** | The employer shall apply for a Leave Without Pay service through the system of the Ministry. | Employer |
|  | The exclusionrequest is sent to the Digital Department officer for verification and approval. | Digital Department officer |
|  | The system reflects the data into the Wages Protection System and the employee will be excluded from the WPS. | Wages Protection System |
| **Service Channels** | Ministry application, website, Tas’heel system | |

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| **Procedure Name** | **6. Exclusion of an employee from the Wages Protection System** | |
| **Targeted Category** | Employees imprisoned in penal and correctional facilities | |
| **Service Description** | Exclusion of employees imprisoned in penal or correctional facilities for a period not exceeding one (1) month. | |
| **Process Mechanism** | **Procedures** | **Responsibility** |
| **Service Channels** | The establishment shall provide evidence that the employee is imprisoned in a correctional or penal facility, specifying the sentence period. | Employer |
|  | The employer shall apply for “Employee Exclusion” service through the system of the ministry and attach the supporting documents/evidence. | Employer |
|  | The exclusionrequest is sent to the Digital Department officer for verification and approval. | Digital Department officer |
|  | The system reflects the data into the Wages Protection System and the employee will be excluded from the WPS during the prescribed period. | Wages Protection System |
| **Service Channels** | Ministry application, website, Tas’heel system | |

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| **Example**  **Establishments employing more than 500 workers and establishments employing from 50 to 499 workers -High Risk** | |
| **Date** | **Procedure** |
| 17/02/2022 | * The establishment defaults payment of wages (January 2022). * The establishment shall be included in the inspection visits schedule. * An inspection visit is conducted |
| 01/03/2022 | * Establishments defaulting the payment of due wages of January 2022 will be referred to the Public Prosecution |
| 17/03/2022 | * The establishment defaults payment of wages (January 2022). * The Establishment shall be included in the inspection visits schedule * An inspection visit is conducted * The establishment shall be included the electronic monitoring and inspection system * Imposing an administrative fine in accordance with Cabinet Resolution No. 21 of 2021, and downgrading the establishment to Category (3) (for repeat violation) |

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| **Example**  **Establishments employing 50 to 499 workers** | |
| **Date** | **Procedure** |
| 17/02/2022 | * The establishment defaults payment of (February 2022). * The establishment shall be included in the inspection visits schedule. * An inspection visit is conducted |
| 01/03/2022 | * Establishments defaulting the payment of due wages of February 2022 will be referred to the Public Prosecution |
| 17/03/2022 | * The establishment defaults payment of wages (February 2022) * The Establishment shall be included in the inspection visits schedule * An inspection visit is conducted * The establishment shall be included the electronic monitoring and inspection system. * Imposing an administrative fine in accordance with Cabinet Resolution No. 21 of 2021, downgrading the establishment to Category (3) (for repeat violation) |

**NOTICE OF DEFAULT IN PAYMENT OF WAGES**

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| --- | --- | --- | --- | --- | --- |
| **Date** |  | **Time** |  | **Type** | **Notice** |
| **Establishment Name** |  | | **Establishment No.** | |  |

In order to implement the Ministry’s objectives towards labour market stability, timely payment of wages is considerably vital towards improving the quality of work relations as it safeguards employees while maintaining business owners' interests, and protecting the rights of both employees and employers. With reference to the above subject, we request you to take the necessary measures towards the payment of the overdue wages indicated in the below table:

|  |  |  |
| --- | --- | --- |
| **#** | **Month** | **Number of Eligible Employees** |
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Kindly ensure strict compliance with the provisions of Ministerial Resolution No. (43) of (2022) concerning Wages Protection System. In case of default in payment of wages, the Ministry shall take all the legal and administrative actions against the establishment.

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| **Details of the Establishment Manager** | | | |
| Manager name | Nationality | Mobile No. | Passport/EID No. |
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| --- | --- | --- | --- |
| Inspector Name |  | Inspector signature |  |

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| --- | --- | --- | --- |
| Receiver’s Name |  | Mobile No. |  |
| E-mail address 1 |  | E-mail address 2 |  |

I, the undersigned, do hereby undertake to deliver this notice to the owner(s) of the establishment or the concerned legal representative and this is an acknowledgment from my part.

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| --- |
| MB |
| Leave Without Pay Request |
| Employment Contract No. |
|  |
| It is on ---/---/--- corresponding to ---/---/--- in the UAE |
| Establishment Name |
| Establishment No. |
| Emirate |
| Represented By: |
| Name |
| Title: |
|  |
| Hereinafter referred to as the “First Party” |
|  |
| Name : |
| Nationality: |
| Work Permit Number: |
|  |
| Hereinafter referred to as the “First Party” |
|  |
| Preamble |
|  |
| WHEREAS, the Second Party expressed his desire to sign an application for leave (without pay)- for a maximum period of 3 months “ per contracting cycle”, provided that the worker has availed all his annual leave entitlement and has a serious reason for requesting this leave.  Leave without pay provided for in the preceding paragraph shall not be computed as part of the service period of the employee.  As of : ------------ to: -------------  I, hereby confirm that the data provided herein is accurate, correct and complete.  Signature of the First Party  Name |
| Signature of the Second Party  Name |

**ELECTRONIC NOTIFICATIONS**

**REMINDER NOTICE**

**Dear Owner / Manager of Establishment No.**

Note that the wages of employees in your establishment are due on the first day of the month following the registered payday. In case of non-compliance with payment of wages, the establishment will be considered in arrears in payment of employees’ wages, which may inflict legal and administrative actions against the establishment in accordance with the applicable rules and regulations.

Please ignore this message if you have paid your employees’ wages.

For inquiries, call 80060

**NOTICE OF SUSPENSION**

**Dear Owner / Manager of Establishment No.**

Note that the wages of employees in your establishment are due on the first day of the month following the registered payday. Due to non-compliance with payment of wages, the establishment is now suspended. In the event of recurring or accumulating violations of non-payment of wages, all legal and administrative actions will be taken against the establishment in accordance with the applicable rules and regulations.

Please take necessary actions to pay the wages of your employees as soon as possible to lift restrictions applicable on your establishment.

For inquiries, call 80060

**NOTICE OF BLOCKING THE FILE OF THE ESTABLISHMENT’S OWNER**

**Dear Owner of Establishment No.**

Note that the wages of employees in your establishment are due on the first day of the month following the registered payday. Due to non- payment of your employees’ wages for more than two consecutive months past the maturity date, all of your below mentioned establishments have been suspended. In the event of recurring or accumulating violations of non-payment of wages, all legal and administrative actions will be taken in accordance with the applicable rules and regulations.

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| **Establishment Name** | **Establishment No.** |
|  |  |

Please take necessary actions to pay the overdue wages of your employees as soon as possible to lift restrictions applicable on your establishment.

For inquiries, call 80060

**NOTICE OF SUSPENSION DUE TO NON-PAYMENT OF EMPLOYEES WAGES**

**Dear Owner / Manager of Establishment No.**

Note that due to non- payment of the following employees’ wages for a period of three consecutive months (Nov 2021- Dec 2021 – Jan 2021), the file of your establishment is suspended.

|  |  |  |
| --- | --- | --- |
| **Employee Name** | **Personal No.** | **Labor Card No.** |
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Please take necessary actions to pay the overdue wages of your employees as soon as possible to lift restrictions applicable on your establishment.

For inquiries, call 80060

**NOTICE OF IMPOSITION OF AN ADMINISTRATIVE FINE**

**Dear Owner / Manager of Establishment No.**

Note that the wages of employees in your establishment are due on the first day of the month following the registered payday. Due to accumulation or repeat violation of non-payment of wages, a fine of “non-payment of employees due wages through WPS” is imposed, and your establishment is downgraded to Category (3).

Please take necessary actions to pay the overdue wages of your employees as soon as possible to lift restrictions applicable on your establishment.

For inquiries, call 80060