

**MINISTERIAL RESOLUTION NO.318 OF 2022  
CONCERNING BANK GUARANTEES AND EMPLOYEES PROTECTION INSURANCE  
SCHEME**

**The Minister of Human Resources & Emiratisation**

**Having perused:**

- 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 its Executive Regulations
- Cabinet Resolution No. (21) of 2020 regarding Service Fees & Fines in the Ministry of Human Resources and Emiratisation
- Cabinet Resolution No. (18) of 2022 concerning the Classification Of Private Sector Establishments and the amendment of the service fees of the Ministry of Human Resources and Emiratisation,
- Cabinet Resolution No. (37) of 2022 amending some provisions of Cabinet Resolution No. (21) of 2020 concerning Service Fees & Fines in the Ministry of Human Resources
- Cabinet Resolution No. (45) of 2022 concerning the formation of the Grievance Committee against decisions issued by the Ministry of Human Resources and Emiratisation
- Ministerial Resolution No. (47) of 2022 concerning the Regulation Of Labor Disputes And Complaints procedures and amendments thereof,

**Has Resolved:**

**Article (1)**

Pursuant to Article (8) of the aforementioned Cabinet Resolution No.(18) of 2022, establishments are required to provide either an insurance policy or a bank guarantee of not less than Dhs.3000 for each employee, according to the following:

- a. First option : Workers shall be insured in accordance with the guide issued by the Undersecretary for Human Resources Affairs in this regard.

- b. Second option : A Bank guarantee paid through any of the banks operating in the country, provided that the guarantee is valid for one year, automatically renewed, and paid at the Ministry's demand, without any other restrictions.

### **Article (2)**

Without prejudice to Article No.(7) of Cabinet Resolution No.(46) of 2022 referred to, and Article No.(12) of Ministerial Resolution No. (47) of 2022 referred to, in respect of the provided options in the preceding article, the Ministry may utilise the insurance coverage, liquidate the bank guarantee, or deduct any amounts therefrom, in the following instances:

- a) Expenses for repatriation of an employee to his place of origin or any other place agreed upon by the employee and the employer.
- b) Amounts acknowledged by employer or his representative before the Ministry as entitlements of the employee.
- c) By virtue of a court judgment, to deliver the employee's entitlements.
- d) Pursuant to a claim raised by the concerned authorities in the country, to reimburse expenses incurred for repatriation of an employee to his place of origin or any other place agreed upon by the employee and the employer in case of employees covered by the bank guarantee. Employees covered by insurance coverage are subject to the provisions of their insurance policies.
- e) In all cases, it is the employer's responsibility to reimburse the sums paid or complete the sum of the bank guarantee.

### **Article (3)**

- a) In the event of choosing the second option from Article (1) hereinabove, the employer may submit a request to reclaim the employee's bank guarantee or the remainder therefrom, in the following cases:
  1. Cancellation of the employee's work permit and evidence of his departure from the country.
  2. In the event of the employee's death and evidence of the body's repatriation or burial in the country is submitted.
  3. If the employee transfers to a new employer.

4. Any other cases in which the employer provides a proof of cancellation of the employee's work permit and payment of entitlements due to the employee.
- b) The Ministry has the right to refuse to reimburse the bank guarantee to the employer in the following cases:
  1. If the employer is a party to a collective labour dispute, until the employee's entitlements are settled.
  2. If evidence of due fines against the establishment is proven, or in the event that work permits have been suspended.

#### **Article (4)**

The Undersecretary for Human Resources Affairs at the Ministry shall issue a guide to the procedures, process and forms necessary to implement this resolution.

#### **Article (5)**

This Resolution shall be published in the Official Gazette and shall come into force from the date of its issuance.

**Dr. Abdul Rahman Abdul Manan Al Awar**  
**Minister of Human Resources and Emiratisation**

Issued by us on: 27/07/2022