Ministerial Decision No (826) of 2005

Regulation of sponsorship transfer

Minister of Labour & Social Affairs,

having perused:
Federal Law No (1) of 1972 concerning the Competences of the Ministries and the Powers of the Ministers and the amending laws thereof;

Federal Law No (6) of 1973 concerning the Entry and Stay of Foreigners and the laws in amendment thereof;

Cabinet Decision No. 3 of 1977 concerning the recruitment of foreign workers;

Ministerial Decision 8 of 1980 regulating the Labour Relations and the laws in amendment thereof;
Ministerial Decision 18 of 2005 transferring sponsorship and secondment of sponsored and the prescribed charges thereof

The proposal presented by the Undersecretary for Labour Affairs;

Decided as follows:

Article 1

Transfer of sponsorship for workers shall be subject to the requirements, rules and procedures provided for herein.

Article 2

Transfer of sponsorship shall be approved if the following conditions are met:

1. the worker or employee has a valid residence permit on his passport;
2. the worker or employee has a valid work permit;
3. no national or GCC applicants for vacancies applied for the job to which the sponsorship is required to be transferred;
4. the worker or employee must have stayed for a specific period with the current employer, such a specific period shall be counted from the date of issuing the work permit as follows:
   a. for one year if the worker has PhD and MA and this category may transfer their sponsorships for several times without any restrictions;
   b. for at least two years if the worker has BA or equivalent where this category may transfer their sponsorship twice throughout their continuous employment in the country;
c. for at least three years for the other categories as this category may transfer their sponsorship once throughout their continuous employment in the country;
d. the profession to which the worker is transferred should be in consistent with his qualification and experience and the activity of the firm;

5. the worker should obtain the approval of both the current and new employers;

**Article 3**

Fees levied on sponsorship transfers shall be as follows:

<table>
<thead>
<tr>
<th>Type of fee</th>
<th>Value in AED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approval of internal labour permit for PhD and MA</td>
<td>AED 1,500</td>
</tr>
<tr>
<td>Approval of internal labour permit for BA or equivalent</td>
<td>AED 3,000</td>
</tr>
<tr>
<td>Approval of internal labour permit for all other categories</td>
<td>AED 5,000</td>
</tr>
<tr>
<td>Approval of internal labour permit for workers over sixty years of age including the issuance of a work permit for one year for all categories including BA and PhD</td>
<td>AED 5,000</td>
</tr>
<tr>
<td>Approval of internal labour permit for a transfer from a firm to another firm for the same employer in the same emirate</td>
<td>AED 500</td>
</tr>
</tbody>
</table>

**Article 4**

If the periods provided for in Article 2 is not completed, the workers who have no PhD or MA may be exempted from the prescribed period on the request of the new employer provided that an amount of AED 3,000 is paid for each worker plus the prescribed fees if the workers having BA or equivalent or other categories stayed for at least one year with the current sponsor,

**Article 5**

The time-limit requirement for all categories may be exempted by paying the sum of AED 3,000 plus the prescribed fees provided for in Article 3 without abiding by the one-year period provided for in Article 4 herein in the following cases:

1. a court judgment or order declaring the bankrupt, liquidation, winding up or dissolution of the firm;
2. the Ministry cancelled the licence (the card) given to the firm;
3. the firm is affiliated into another firm;
4. the firm is merged with another firm;
5. the firm is divided on account of death or otherwise;
6. a part of the firm is sold to another firm within the number of workers in the sold part;
7. the employer is dead and the firm is closed consequently.

**Article 6**

The Ministry may, without having recourse to the current employer or without taking his approval, transfer the sponsorship of all workers on the request of a new employer without abiding by the time limit and the one-year period provided for in Article 4 provided that the approval frees prescribed in Article 3 and the exemption fees in Article 4 in the following cases:

1. the employer has not paid the wages of the workers for three months or more pursuant to a report made by the Labour Inspection Department or Labour Relation Department of the Ministry;
2. the transfer is occasioned because the ownership of the company or firm is transferred to another firm or company pursuant to the supporting documents;
3. the firm is administratively or judicially closed or following a report from the inspection department with having sponsored workers whose positions have not been streamlined;
4. the transfer is owing to the death of the employer pursuant to the supporting documents;
5. complaints filed by the workers and have been referred to the courts, it is then up to the courts to grant workers permission allowing them to change sponsorship;
6. other cases referred to the relevant authority in the Ministry and it is approved from the Labour Minister.

**Article 7**

The competent officers in the labour departments are authorized to approve sponsorship transfers and exemption from the periods prescribed herein.

**Article 8**

Applications for sponsorship transfers are submitted as follows:

1. the application shall be submitted by the new employer or his representative to the labour office, in whose jurisdiction the firm operates and to which the worker is transferred, by post or to the Ministry directly through the window allocated for the submission of transactions;
2. the documents accompanied by the transaction:
   a. an application form for a sponsorship transfer;
   b. a copy of the specimen signature of the new and current employers;
   c. a copy of the worker’s passport and of his work permit;
   d. copies of the scientific certificates attested by the relevant authorities and a certificate of equivalence from the Ministry of Higher Education if the qualification so requires;
3. the competent officer shall scrutinize the transaction to ensure that the attachments are valid and in accordance with the prescribed requirements and the signature of the employer. After conducting the scrutiny, the transaction shall be processed directly on the counter either by approving or by rejecting if the transaction is incomplete with marking such incomplete documents on the application. The transaction shall be resubmitted after completing the required documents;

4. the new firm shall pay the fees prescribed for sponsorship transfer and submit a bank guarantee if it is required for each employee whose sponsorship transfer has been approved;

5. the firm to which the worker is transferred shall finalize the procedures of registering the worker and shall submit the following documents:
   a. an application approved by the previous sponsor for the cancellation of the work permit (accompanied with the approval given for the sponsorship transfer);
   b. an application for a new work permit for the sponsorship transfer approved by the new employer;
   c. the old work permit of the employee;
   d. the bank guarantee if required;
   e. the receipt of the payment of the fees;

6. the officer handling the application shall enter the data of the application in the computer and ensure that the above documents are complete.

**Article 9**

The period for having the sponsorship transfer approved shall take 60 days from the date of the initial approval. The firm to which the worker is transferred shall pay the fees and complete the procedures of registering the workers within the said period. The application shall be considered to have been cancelled after the elapse of the said period and the new employer shall submit a new application with paying new fees regardless of the fees paid for the cancelled application.

**Article 10**

Excluding the provisions of subsections 2 and 4 of Article 2, sponsorships of all categories of workers may be transferred provided that a sum of AED 500 is paid for each worker in the following cases:

1. transfer from a firm to another in the same emirate provided that they are owned by the same employer or is a partner therein and is the owner or partner for at least 18 months;
2. from an individual establishment or the branch thereof to another branch in the same emirate;
3. from a company or the branch thereof to another branch in the same emirate;

in case work permits have expired, the prescribed fines and fees shall be paid by the firm on which the higher fees are imposed as a precedent condition for the sponsorship transfer.
Article 11

With the exclusion of the cases of sponsorship transfers provided for herein, the Ministry may not issue new work permit to any worker who is no longer working in the country unless six months at least have elapsed from the date on which his work permit has been cancelled.

Article 12

This Decision shall take effect from the date hereof. All relevant authorities shall implement the Decision within their competence.

Dr. Ali Abdulla Al Kaabi
Minister of Labour & Social Affairs

Issued on 11.9.2005