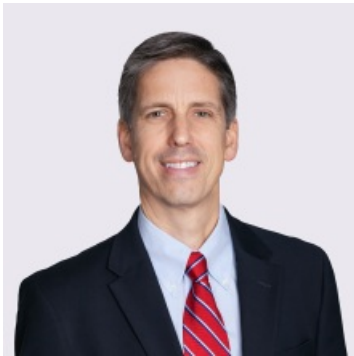


UAE Employees Must Be on Fixed-Term Contracts by End of 2023

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International Employment

Employers with operations in the United Arab Emirates (UAE) must transition their current contracts with employees that are not already fixed-term to fixed-term contracts by December 31, 2023.

Federal Decree Law No. 33 of 2021, as amended (New Labour Law), went into effect on February 2, 2022. The New Labour Law ushered in a major shift in employment contracts, requiring all UAE employers (with the exception of employers in the Dubai International Financial Centre and Abu Dhabi Global Markets freezones) to transition employees to fixed-term contracts.

The initial deadline for the transition was February 1, 2023, but that deadline was extended to December 31, 2023, by Ministerial Resolution No. 27 of 2023.

An amendment to the New Labour Law in 2022 allowed employers and employees to agree on a fixed term of any duration. Previously, contracts were for a maximum of three years and renewable.

Those with UAE operations (outside of the above freezones) that need to transition employees to fixed-term contracts should consult legal counsel to effectively and efficiently transition their employment contracts before the deadline.

Please contact a member of the International Employment Group or the Jackson Lewis attorney with whom you regularly work with any questions.

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