

Immigration: UAE Immigration Landscape And Recent Updates

The United Arab Emirates (UAE) is one of six members of the Gulf Cooperation Council (GCC) along with Oman, Bahrain, Qatar, Saudi Arabia and Kuwait. Over the last couple of decades, due to its economic and political stability, high living standards and cultural diversity, the UAE has been one of the most attractive regions in the Middle East to foreign nationals for employment, investment, business opportunities and tourism. Whilst the majority of GCC countries are predominantly dependent on the oil and gas and real estate industries, UAE has been able to diversify its economy and other countries in the GCC are following suit. Dubai, one of the seven Emirates in the UAE and one of the most popular cities in the world, is globally recognised as a hub for trade, tourism and banking.

In the last few years, especially since the COVID-19 pandemic, the UAE immigration landscape has undergone several positive changes and reforms. In 2021, the UAE Ministry of Economics announced a new foreign ownership rule which allows foreign investors to have 100% ownership of the onshore based companies (for certain activities) as opposed to mandatorily requiring a local UAE national to hold 51% ownership. In addition, the last couple of years have also seen the introduction of self-sponsored immigration categories, long-term residence permits and ability for foreign nationals to live in the UAE whilst working remotely for their foreign employers. These changes and reforms have further attracted many foreign businesses and entrepreneurs, high-skilled professionals for employment and tourists contributing to the overall growth and economy of the country. Furthermore, the UAE's technology drive has made giant leaps in the immigration space making the processes, timelines and requirements more efficient and streamlined.

Current Immigration Framework

There are multiple visa categories that form part of the UAE Immigration framework, which include both long-term and short-term options. Determining the correct visa category for a foreign national is dependent on several factors including but not limited to the intended purpose of the visit/stay; the activities to be performed; duration of visit; and place of remuneration.

The types of UAE visa categories allowing an individual to travel for business, stay or perform work activities in the UAE are outlined as follows:

Long-Term Visas

The Employment Residence Permit (ERP) is a long-term employment visa which requires a local UAE company for sponsorship and allows a foreign national to work and live in the UAE. This visa type is sponsor and location specific which means that the foreign national will only be able to work for the sponsoring company and binds the employee and sponsor in a local employment contract. The validity of this visa type has recently been standardised to two years for both Mainland and Freezone jurisdictions (previously three years in Freezones). An ERP holder is also able to sponsor dependants in the UAE on residence permit (spouses, children and parents).

There are numerous Freezones in the UAE, which are separate and distinct economic areas in which companies and expatriates can hold full ownership rights, and be able to trade within those zones with certain benefits. Regardless of the location of the sponsoring UAE company i.e Mainland or a Freezone set up, the ERP processes across each jurisdiction are very streamlined. The main differentiator between a Mainland and Freezone ERP process is that the former is governed by both the Ministry of Interior (Immigration Department) and the Ministry of Human Resources and Emiratisation (MOHRE), whereas the latter is only governed by the Immigration department. Therefore, the ERP timelines within a Freezone are relatively shorter as compared to the Mainland jurisdiction. The UAE also allows the transfer of ERP sponsorship whilst the individual is inside the country, however, the process may vary depending on the jurisdiction.

As mentioned, an ERP is sponsor and location specific which implies that the holder can only work for, and at, the sponsoring company's registered location. Therefore, from an immigration compliance perspective, sponsoring companies have to strategise carefully in case of local secondments or when undergoing a Merger or Acquisition as working at other client sites (who are not the ERP sponsors) will not be permissible unless specific authorisations are secured which needs to be assessed on a case by case basis.

Self-Sponsored Visa Types

In 2019, the UAE implemented **the Golden Visa programme** for long-term residence visas, which allows foreign nationals to secure self-sponsored UAE residence permits with a validity of up to 10 years (renewable). Initially,

Golden Visas were only available or awarded to selected individuals, however, the eligibility for Golden Visas have been widened further to scientists, professionals, entrepreneurs, property investors, outstanding students and graduates, and those considered to be exceptionally talented. Professionals with experience in different disciplines are now eligible to apply for a Golden Visa, provided that they have an employment contract in the UAE and hold a certain occupational level recognised by Immigration authorities (currently Managerial level positions). Individuals should also hold a Bachelor's degree or equivalent, and have a monthly salary of at least AED 30,000 per month. This category is fluid and the requirements are very much subject to change.

In 2021, the UAE authorities introduced a visa type for foreign nationals to base themselves in the UAE whilst working for their overseas employer based outside the UAE. This nomad visa, known as the **Remote Working Visa**, is valid for one year and does not require a local company to sponsor the visa. Eligible foreign nationals are able to self-sponsor themselves and perform work activities only for the benefit of their overseas employer. Individuals must be able to provide contractual proof of employment valid for at least one year, and meet a minimum salary level which should be evidenced by way of bank statements and payslips. Evidence of health insurance coverage in the UAE is also required. This visa type allows the holder to sponsor dependants in the UAE on their residence permit and can be renewed subject to the eligibility criteria at the time of renewal.

Since the start of the pandemic, countries around the globe have had to think about remote working, with the UAE leading the way in terms of making provision for a specific immigration category. This category was utilised by individuals and companies following the outbreak of the Russia/Ukraine crisis. The introduction of a separate visa category for remote working, demonstrates the willingness of the UAE government to embrace this way of working and attract expats into the country, where they will be able to benefit from all the perks that the country has to offer; including the nation's reputation in being a global business and digital hub in the Middle East.

In September 2021, two new exciting visa categories, the **Green Visa** and **Freelance Visa**, were introduced by the Minister of State for

Foreign Trade as part of the UAE's strategic plans for economic, political and social growth. High performing students, business people, investors and those with specialised skills, will be eligible for the Green visa. Benefits of the Green visa are set to include the ability to sponsor parents, sponsor sons until the age of 25 (this is generally 18 years for other visa categories) and no upper age limit to sponsor daughters. Green visas will also be available for Freelancers and Entrepreneurs, and an annual income from self-employment in the last two years should be at least AED 360,000, or the individual has to show financial solvency throughout his or her stay in the UAE. These new requirements should also be in place in the last quarter of his year. We are still waiting for the full roll out of the Green Residency Visa at the time of publication.

Freelance visas will apply to self-employed individuals or independent businesses, and could be an expanded version of the UAE's current Freelance visas allowing greater flexibility for companies and individuals alike. The Freelancer visa allows holders to work remotely or from authorised locations, without needing to have an office space. The UAE Government is very much recognising non-standard employment and work arrangements, and trying to encourage more self-employed and entrepreneurial individuals to establish themselves here.

The UAE also offers a **Retirement Visa** to foreign nationals who are retired and over 55 years of age (showing no less than 15 years work history). This visa type is granted for five years to those who either have an investment in a residential property or hold accumulated savings of more than AED one million in both scenarios, or have an active monthly income of more than AED 20,000 from pension or a previous employer (AED 15,000 in Dubai). A Retirement Visa can be renewed, subject to meeting the criteria, and again allows individuals to remain in the UAE on a longer-term basis.

In addition to the above visa categories and in a landmark move, in 2021, the UAE Government also introduced new citizenship laws to allow certain categories of foreign nationals, UAE citizenship. Applications are through nominations via the authorities in the UAE, and therefore it is selective in terms of process. However, it enables those who have significantly invested and contributed towards the UAE economy and society, the ability to secure Emirati nationality for the first time.

Short-Term Visas

The **Mission Work Permit (MWP)** category is the most common short-term work permit category, and requires a local sponsor based in the mainland jurisdiction and allows the foreign national to engage in hands-on and/or technical work. It is usually meant to facilitate short-term contractual obligations in relation to project-based work. MWP are non-extendable single-entry permits, do not

permit family sponsorships and are valid for up-to 90 calendar days.

A **Visit Visa** (short-term or long-term) is issued at the request of a local UAE corporate sponsor or legal resident in the UAE. Visit visas sponsored by individuals (i.e. family members) are usually meant to facilitate general visits (tourism/leisure visit visa), while those sponsored by corporates tend to facilitate business travel (**Business Visit Visa**). Although the UAE authorities do not maintain an exhaustive list of activities that may be conducted on a Business Visit Visa, activities such as attending meetings, conducting research, negotiating contracts, attending training, etc., are permissible in practice. Hands-on or technical work or other activities that may be construed as generating profit are not permissible. Business Visit Visas are generally valid for a period of 30 or 90 days and can be obtained for both single or multiple entries. The type of visa granted would depend on the privileges granted to the sponsoring entity and the quota available to it. Sponsored visit visas for business can be extended in-country, subject to the corporate sponsor's eligibility/status and at the sole discretion of the government authorities.

It is important to note that the requirements for obtaining visit visas vary from location to location, with certain areas such as freezones implementing their own list of documentation requirements, which are known to change without prior notice. As such, it is always advisable to check regulations in advance and immediately before travelling.

Certain nationalities such as Brazilian nationals are entitled to a free 90-day Visa on Arrival in the UAE which is only meant for tourism and limited to business meetings.

Dubai's Vision 2040 And The Future Of UAE's Immigration

Whilst moving foreign nationals for employment from outside or within the UAE is comparatively easier to the other GCC countries, the UAE alongside other GCC countries is also focused on achieving improvements to the representation of Emirati nationals in the UAE private sector as part of their 'Emiratisation' drive. As part of this, the UAE introduced a labour market testing programme in 2017 which required participating employers to advertise jobs on a new portal referred to as Tawteen Gate. This has been gradually 'replaced' by the Nafis programme, which was launched in September 2021, and aims to empower Emirati nationals to occupy jobs in the private sector. Included in the Nafis programme is the offer of on-the-job training, talent and apprenticeship programmes, and therefore does not only constitute a local platform to advertise jobs. The UAE Government announced this year that it has an updated Emiratisation target of 10%, to be achieved

by 2026. Companies must ensure that they fulfil all the updated requirements (increasing Emiratisation by 2% each year by the end of 2022, in organisations employing more than 50 employees) otherwise they will be subjected to a monthly 'contribution' of AED 6,000 for each vacancy that has not been filled by an Emirati worker, starting from January 2023.

Interestingly, Dubai unveiled its Vision 2040 earlier this year, which primarily aims at boosting Dubai's economy by focusing on further developing real estate, tourism, health sectors, living standards and investments in the city by 2040. Vision 2040 aims at attracting more foreign nationals to Dubai, and the city's population is expected to double in the next two decades with the vision of making Dubai the world's best city to live in. Against this backdrop, we anticipate more opportunities for overseas nationals and possibly an expansion of existing Immigration categories or a greater utilisation of existing categories.

As part of the Vision 2040, UAE will also focus on upskilling and developing young Emirati citizens in order to boost local talent in the job market and have a positive impact on the country's future economy. In this regard, a number of initiatives have already been taken by the UAE authorities, such as the introduction of National Development and Emirati Graduate Programmes, where these individuals have a chance to experience on the job training and upskilling with different reputable multinational companies in the UAE.

Whilst UAE's efforts on developing and upskilling the local Emirati talent will continue, there is a wider focus on foreign investments, with an aim to create balanced opportunities for both the local and international talent. The introduction of new and unique visa types in the last few years, signals a strong intention to ensure that the UAE remains an attractive destination to visit, live, work and reside on a short to long-term basis.



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