

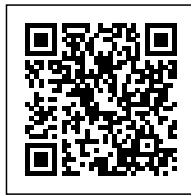
# FROM MENA TO THE WORLD: UAE LABOUR LAW WITH MARCO DE LEO

*Posted on 16 January 2023*



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## [From MENA to the WORLD](#)

With Suzan Taha

The UAE's new labour law, Federal Law No. 33 of 2021 ("**New Labour Law**"), came into force in 2022 and replaced the previous labour law (Federal Law No. 8 of 1980).

LegalcommunityMENA sits down with Marco De Leo (pictured), Managing Partner at BonelliErede Dubai office, to shed some light on the matter.

### **What are the main changes?**

One of the most significant changes is the abolishment of unlimited-term employment contracts. All contracts must now be for a specific term, which can be extended or renewed. The New Labour Law also permits different working arrangements, including part-time, flexible, and temporary employment. Furthermore, in the same progressive spirit, the New Labour Law entitles employees to request different types of leave, including compassionate leave, study leave, and parental leave, with mothers eligible for extended maternity leave.

Additionally, employees are afforded greater protection against workplace discrimination on the

grounds of race, colour, sex, religion, nationality, social origin, and disability.

And in yet another change from the previous rules, employees do not lose their end-of-service gratuity if they resign or have their employment terminated without notice.

### **What does this new law mean for companies?**

The introduction of flexible working arrangements means that companies are now free to explore expanded staffing models tailored to their needs. Indeed, following the successful trial of hybrid and fully remote work during the coronavirus pandemic, many companies are retaining such policies because of the many benefits they provide.

That said, the New Labour Law will also result in increased compliance costs because companies will need to conduct a comprehensive review of their employment framework and processes. For example, companies will have to update all their employment contracts to comply with the fixed-term requirement. Additionally, existing policies will need to be reviewed to ensure they are in line with the required changes, such as the implementation of equal opportunity and anti-harassment policies.

### **What does it mean for individuals?**

The New Labour Law offers many benefits, including greater flexibility in working arrangements, more types of leave, and protection from discrimination (just to name a few). Furthermore, payment of the end-of-service gratuity, together with all other severance payments, must now be made within 14 days of the termination date. This is a welcome change for employees who, in certain circumstances, saw their end-of-service gratuity payments partly or entirely delayed.

Overall, the New Labour Law is very employee friendly and provides certain protections that cannot be contracted out of. Individuals working in the UAE will thus be comforted knowing that their rights are safeguarded and in line with best international practices.

### **About Marco De Leo**

The 43-year-old Sicilian father of a 2 year old toddler moved to the UAE in 2017 and currently serves as the Managing Partner at the BonelliErede Dubai Office. His practice primarily focuses on corporate law, including joint ventures, mergers and acquisitions, private law, and corporate litigation. He has experience handling multi-jurisdictional transactions in various industries, including banking, pharmaceuticals, shipping and transportation, and automotive. De Leo is also a holder of a PhD in international law from the Trinity College, Dublin.

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