

MIDDLE EAST UPDATES

FRAGOMEN

IMMIGRATION AND OTHER DEVELOPMENTS IN THE MENA REGION

United Arab Emirates

14 March 2024 - Deadlines and Penalty for Late Corporate Tax Registration Announced

The UAE Ministry of Finance (MoF) has implemented a fine of AED 10,000 (approximately USD 2,722) for UAE companies that submit their corporate tax registration after new deadlines set out by the Federal Tax Authority (FTA), (based on the month the UAE company's corporate license was initially issued). Previously, companies could submit their registration up until the date that they settled any tax liabilities and there were no fines for late payment.

28 March 2024 - Forthcoming Requirement for Companies in the Private Sec*tor to Provide Health Insurance for Employees*

Effective January 1, 2025, the UAE government will require all employers in the private sector to provide health insurance for their employees, which is already required in the emirates of Abu Dhabi and Dubai. Employers will be required to cover the cost of health insurance for their employees, including for domestic workers; proof of such coverage will be required for their employees when obtaining or renewing residence permits, mirroring the current practice in Abu Dhabi and Dubai. However, it is currently unclear if employers will be required to cover health insurance costs for their employees' dependents. Further details of the health insurance coverage have yet to be announced, including penalties for non-compliance and the specifications of required coverage. Employers may need to revise their expenditures in order to account for the additional healthcare costs; however, despite the increased cost, offering comprehensive health insurance is widely seen as a benefit by many employees and has the potential to help attract and retain talent. 29 March 2024 - Grace Period and Penalty Implemented for Social Security De-Registration Applications

The General Pension & Social Security Authority (GPSSA) has introduced a grace period and penalty for companies who submit late de-registration applications for Emirati nationals. Previously, the GPSSA did not stipulate a deadline by which the employer must submit a de-registration application or impose a penalty for late submission. The GPSSA is now requiring employers to submit de-registration applications within 15 calendar days of the Emirati national employee's last day of employment. Failure to meet this deadline will result in a penalty of AED 200 (USD 54) per day of delay, along with requiring the employer to make any outstanding monthly pension contributions.

SAUDI ARABIA

29 March 2024 - Employers Can Apply for Waiver of Fines for Delayed Social Security Payments and Other Rule Violations

General Organization for Social Insurance (GOSI) is allowing certain qualified employers to apply for a waiver of fines they have incurred due to delayed social security contribution payments, delayed registration and de- registration submissions and delay salary update submissions, among others.

01 April 2024 – Saudization Requirements Increased for Consulting-Sector

Effective March 25, 2024, the Ministry of Human Resources and Social Development (MHRSD) increased the Saudization requirements for businesses operating in the consulting sector to 40%, up from the previous 35%, for professions including: financial consulting specialists, business consulting specialists, cyber security consulting specialists, and project management directors, engineers and specialists. This increase was the result of a decision made in October 2022, to increase Saudization requirements in phases for the consulting sector. In order to assist companies in meeting Saudization requirements, the MHRSD is offering support for recruitment, training and career development as well as priority access to nationalization support programs through the Saudi Human Resource Development Fund. Affected employers should review the composition of their workforce to avoid being subject to penalties for non-compliance, including the suspension of the issuance of new work permits and employment transfers.

QATAR

21 March 2024 - New Five-year Residence Permit for Talented Individuals and Entrepreneurs Announced

A new residence permit program for talented individuals and entrepreneurs is expected to open for applications in the next few months and will allow qualified individuals to work and reside in Qatar for five years, with the possibility of renewal.

KUWAIT

06 March 2024 - Mandatory Biometric Fingerprinting for Citizens, Residents and GCC Nationals Forthcoming

Effective March 1, 2024, Kuwaiti citizens and residents, and citizens of other Gulf Cooperative Council countries, aged 18 and above, must undergo mandatory biometric fingerprinting for the country's central biometric database within a three-month timeframe, ending on June 1, 2024. These individuals can use the Sahel app to schedule their biometric fingerprinting appointment at a center set up by the Ministry of Interior, which includes locations at land borders, the Kuwait International Airport, security directorates at governates and designated commercial complexes. During the three-month period, these individuals can continue to leave Kuwait but must undergo fingerprinting upon their return. Foreign nationals who do not comply with this new rule will have all transactions suspended with the Ministry of Interior, such as renew-

ing their residence visas or obtaining or renewing their driver's licenses.

08 March 2024 - Resumption of Family Visit Visa Issuance with Stricter Criteria

Effective immediately, Kuwait's Ministry of Interior announced that it will resume issuing family visit visas, which have been suspended since August 2022, but under stricter criteria. To apply for the family visit visa, eligible foreign nationals must schedule an appointment with the Ministry of Interior's General Directorate of Residency through the Meta Portal. At this appointment, foreign nationals submit the necessary documents for the visa application, including filling out the application form and paying the visa fee of KWD 3. To be eligible, the sponsor must earn KWD 400 (approximately USD 1,300) to invite their wife and/or children; or KWD 800 (approximately USD 2,600) to invite less immediate family members such as parents, siblings, aunts, uncles, nieces, nephews and in-laws. Previously, the salary requirement for a family visit visa was KWD 250 and it was only available to immediate family members. Foreign nationals on visit visas must also have a confirmed return ticket within one month of the visa application on one of the national airlines, Kuwait Airways or Al Jazeera Airwaysif the visa holder arrives on another airline, they will not be allowed to enter Kuwait. However, if there are no direct flights with the national carrier airline, the visa holder should book a transit flight via any country where the national carrier operates. Previously, there was no requirement to fly on a certain airline. Additionally, the visa holder must sign a written pledge not to convert the family visit visas into a residence permit in Kuwait and agree to adhere to the 30-day visit duration. The resumption of family visit visas for foreign nationals will allow sponsors living in Kuwait to have family members visit them, making Kuwait a more attractive destination for employment, and follows the introduction of additional relaxed immigration rules, including the resumption of the issuance of certain types of residence visas.

13 March 2024 - Launch of Part-Time Work Permits

Kuwaiti authorities have launched a part-time work permit for foreign nationals which allows already employed permit holders resident in Kuwait to work for up to four hours per day with a second employer. Permit holders can only work in the private sector and must secure approval from their primary employer. Employers of the part-time applicants can submit applications on behalf of the foreign nationals through the Public Authority for Manpower's *As-hal* online platform, with one-, three-, six- and 12-month options available (costing KWD 5, KWD 10, KWD 20, and KWD 30, respectively). This new permit type – which seeks to help alleviate current talent shortages in Kuwait's labor market – will not affect foreign national construction workers, as these workers are not restricted from working additional hours for a separate employer. Similarly, Kuwaiti citizens can work part time without any restrictions.

IRAQ

03 April 2024 - Electronic Portal Implemented to Process Visit Visas for Business

The Ministry of Interior has created a new electronic platform that authorized representatives of sponsoring employers must use to obtain Visit Visas for Business to Iraq for their foreign nationals, which will be issued in the form of an e-visa. Previously, Visit Visa for Business applications had to be submitted in-person at the Ministry of Interior in Iraq by the authorized representative. In order to apply for the Visit Visa for Business, the authorized representative must have completed a one-time registration on the electronic platform, which will then allow them to submit online application forms and upload scanned copies of requested supporting documents on behalf of the foreign nationals they sponsor. The fee for each foreign national is approximately IQD 106,000 (USD 81) but will vary slightly based on the applicant's nationality. If the application is approved, the authorized representative will receive the e-visa via email which the foreign national must present to immigration authorities upon arrival in Iraq. The new portal is intended to streamline the processing of Visit Visas for Business, which will now be processed within two weeks, whereas previously it could take up to four weeks.

MOROCCO

12 March 2024 - UAE Residents Now Eligible to Apply for E-visas

All foreign nationals with a UAE residence permit seeking to enter Morocco for tourism or business purposes can now apply for e-visas through Morocco's Ministry of Foreign Affairs, African Cooperation and Expatriate online platform, Accés Maroc. Previously, UAE residents were required to visit the Moroccan consular post to submit a physical application in person, unless they qualified to use the online platform (for UAE nationals or those holding a certain residence permit or visa from another eligible country). To be eligible to use the online platform, UAE residents must have: a valid Emirates Identity card; a UAE residence permit valid for at least 180 days from the date the evisa is submitted, and a passport valid for at least 90 days from the date the e-visa is submitted. Applicants for the e-visa can choose between a standard or express e-visa application package. The standard single-entry e-visa takes three business days to process and costs MAD 770 (approximately USD 77), while the express single-entry evisa takes one business day to process and costs MAD 1,100 (approximately USD 110). Both e-visas are valid for 180 days, but UAE residents can only enter Morocco for stays of up to 30 days at a time. UAE nationals are already visa exempt for tourism or business stays in Morocco for up to 90 days, and therefore do not need to apply for this new e-visa.

ABOUT FRAGOMEN

Fragomen is a leading firm dedicated to immigration services worldwide. The firm has nearly 5,500 professionals and staff in 62 offices located in the Americas, Asia Pacific and EMEA. Overall, Fragomen offers support in more than 170 countries.

We are structured to support all aspects of global immigration, including strategic planning, efficiency, quality management, compliance, government relations, reporting, and case management and processing. These capabilities allow us to represent a broad range of companies, organizations and individuals, working in partnership with clients to facilitate the transfer of employees worldwide.

Our Middle East and North Africa (MENA) practice also provides corporate services, including social security assistance, end-to-end corporate setup, corporate secretarial services, corporate amendments, restructuring activities and more. Our corporate services and immigration professionals have extensive experience working with multinational businesses, conglomerates, local employers, start-ups and individual investors. We have a deep understanding of the MENA region and maintain strong professional relationships with relevant authorities.

To learn more about how we can assist you, please visit our website at <u>www.fragomen.com</u> or contact us at middleeast@fragomen.com.