



GUIDE TO GOING GLOBAL EMPLOYMENT

Qatar



Downloaded: 17 May 2024

INTRODUCTION

Welcome to the 2023 edition of DLA Piper's *Guide to Going Global – Employment*.

GUIDE TO GOING GLOBAL SERIES

Many companies today aim to scale their businesses globally and into multiple countries simultaneously. In order to help clients meet this challenge, we have created a handy set of global guides that cover the basics that companies need to know. The *Guide to Going Global* series reviews business-relevant corporate, employment, equity compensation, intellectual property and technology, and tax laws in key jurisdictions around the world.

EMPLOYMENT

As business grows more global, the challenge for in-house counsel and HR professionals responsible for workforce issues and employment law compliance is intensifying. This guide is designed to meet that challenge head on and has been produced in response to feedback from clients in both established and emerging international businesses. We hope it will become an invaluable resource for you.

This 2021 edition of our popular guide covers all of the employment and labor law basics in 63 key jurisdictions across the Americas, Asia Pacific, Europe, the Middle East and Africa. From corporate presence and payroll set-up requirements, language rules, minimum employment rights, business transfer rules, through to termination and post-termination restraints, we cover the whole employment life span.

We have used our global experience and local knowledge to bring you this newest edition of our guide. With over 300 lawyers, DLA Piper's global Employment group is one of the largest in the world, with one of the widest geographical footprints of any global law firm. We partner with our clients, wherever they do business, to find solutions and manage risk in relation to their legal challenges and objectives.

While this guide provides high-level guidance, it is not a substitute for legal advice, and we encourage you to take advice in relation to specific matters. If you wish to speak to any of our contributors, their contact details are set out towards the back.

We hope that you find this guide valuable and we welcome your feedback.

To learn more about DLA Piper's global Employment practice, visit www.dlapiper.com or contact:

Brian Kaplan
Co-Chair, Global Employment practice
brian.kaplan@dlapiper.com

Ute Krudewagen
Co-chair, International Employment practice
ute.krudewagen@dlapiper.com

Pilar Menor
Co-Chair, Global Employment practice
pilar.menor@dlapiper.com

This publication is provided to you as a courtesy, and it does not establish a client relationship between DLA Piper and you, or any other person or entity that receives it.

This is a general reference document and should not be relied upon as legal advice. The application and effect of any law or regulation upon a particular situation can vary depending upon the specific facts and circumstances, and so you should consult with a lawyer regarding the impact of any of these regimes in any particular instance.

DLA Piper and any contributing law firms accept no liability for errors or omissions appearing in this publication and, in addition, DLA Piper accepts no liability at all for the content provided by the other contributing law firms. Please note that employment law is dynamic, and the legal regime in the countries surveyed could change.

QATAR



Last modified 12 April 2023

LEGAL SYSTEM, CURRENCY, LANGUAGE

Employment matters are predominately governed by Law No. 14 of 2004 (the Labor Law) (as amended). There are also relevant provisions in Law No (21) of 2015 (Sponsorship Law) (as amended) and its Executive Regulations No. 25 of 2019 that primarily govern the sponsorship, residence and exit of expatriate employees.

Companies established in the Qatar Financial Centre (QFC) will be governed by QFC laws and regulations with the primary employment law provisions being contained in QFC Regulation No (10) of 2006 (Employment Regulations) (as amended) and QFC Regulation No (11) of 2006 (Immigration Regulations)(as amended). This guide focuses on the State of Qatar (Qatar) labor laws.

The local currency in Qatar is the Qatari Riyal (QAR). The QAR is pegged to the US dollar. The official language of Qatar is Arabic. Legislation in Qatar is primarily drafted and issued in Arabic and all Qatari court proceedings are heard in Arabic.

CORPORATE PRESENCE REQUIREMENTS & PAYROLL SET-UP

A foreign entity cannot directly engage employees in Qatar. Instead, it must have at least a subsidiary, branch or trade representative office to directly engage a local or expatriate employee, as such individuals are required to be registered with the Labor Department at the Ministry of Labor and due to the provisions of the Sponsorship Law.

At present, employees working in Qatar are not subject to income tax, and therefore there are no tax withholding obligations imposed on the employer in the context of an employment arrangement.

There are also no social security requirements, save for in respect of certain companies which are required to contribute to the local General Retirement and Pension Authority on behalf of their local Qatari national employees.

PRE-HIRE CHECKS

Required

Foreign employees must receive prior approval from the Ministry of Labor and Ministry of Interior before they can be hired on local employment contracts. The level of background checking and screening carried out by the Qatar authorities varies on a number of factors including the nationality of an individual and whether the individual is a local hire or recruited from abroad. Insofar as we are aware, local nationals are not subject to the same level of checks as foreign nationals recruited by a Qatari entity from abroad.

In some cases, (depending on the nature of the role) as part of the work permit/residence visa process, employees will be required to provide an attested copy of their degree/high school certificates to the Ministry of Labor.

Permissible

Generally, employers in Qatar are not able to obtain the same level of information from background checks as they can in other jurisdictions and, in most cases, the employees themselves will be required to provide this information. For example:

- **Criminal record:** In Qatar, police checks or Certificates of Good Conduct can only be obtained by the individual from the Criminal Evidences and Information Department (CEID). To obtain the Good Conduct Certificate, the individual, if a foreign national, may also be required to obtain police clearance from their home country and provide an attested copy of this policy clearance to the CEID.
- **Employment:** There is provision in the Labor Law for employers to provide all employees with a certificate of service if requested, so candidates should be asked to verify their employment history.

IMMIGRATION

In order to legally work and reside in Qatar, all employees except Qatari nationals (who require a work permit only) are required to have a residence visa and work permit under the sponsorship of the employer (which must have an entity established in Qatar) or their spouse, if married. There are certain limited exceptions to this requirement.

Qatar has also introduced a permanent residence visa regime. Under this regime, foreign nationals may be granted permanent residence visas by Qatar. However, there is a prescribed category of conditions foreign nationals need to satisfy in order to qualify for a permanent residence visa. There is also a limited annual quota on the number of permanent residence visas that may be issued in any given year. This quota may be decreased or increased ultimately by virtue of the decision of the Emir of Qatar.

Where an employee is only required to work in Qatar for a short period of time, there are alternative permits that may be considered, although suitability will depend on the type of work to be carried out.

Amendments to the Sponsorship Law in Qatar have made it easier for expatriate workers to change employers and to leave the country. Under current provisions, non-Qatari citizens no longer need a “No-Objection Certificate” to change employers – however, they must comply with any notice period requirements under the Labor Law (although, on a practical level, this certificate may at times be required). In addition, expatriate employees no longer need to obtain an exit permit from their sponsor of residence prior to leaving the country (with certain exceptions).

HIRING OPTIONS

Employee

Unlimited or fixed term. Part-time employment is legally possible but is not common.

Independent contractor

There is no concept of a consultant, unless individuals have established their own professional license and business, due to the requirement for employees to have sponsorship, which is generally obtained by the employer.

Agency worker

There is no general concept of an agency worker or "temp" in Qatar. Some Qatari-owned employment agencies are licensed to provide manpower on a temporary basis (and the individual would remain under the agent's sponsorship) and the executive regulations to the Sponsorship Law do seem to contemplate employees working in Qatar on a temporary basis but such employment arrangements are not clearly detailed in Qatar law.

EMPLOYMENT CONTRACTS & POLICIES

Employment contracts

Non-Qatari national employees are required to sign a standard government employment e-contract to obtain their work permit and residence visa. This contract is in dual language format and contains (as a minimum) Arabic and usually, English.

In light of the basic nature of the standard government e-contract, it is common for more detailed employment contracts to be entered into by the employer and employee.

Probationary periods

Permissible. Maximum duration of 6 months, during which time the employee is entitled to 3 days' notice of termination.

Policies

There are mandatory policies. Employees should ideally be provided with notice of the employer's policies on commencement of employment. The policies should be present in a conspicuous place at the employer's offices (such as the notice board, if any). The employer's policies should be aligned with the Labor Law and approved in advance by the Ministry of Labor. This requirement under the Labor Law is not rigorously enforced and nor actively implemented.

Third-party approval

The government employment e-contract must be lodged with the Labor Department at the Ministry of Labor as part of the employee's work permit and residence visa process. Strictly speaking, any contractual changes should be notified to the Labor Department and amended on the filed government employment e-contract.

LANGUAGE REQUIREMENTS

Pursuant to the Labor Law, all employment contracts and records must be in Arabic. Where a foreign language is used in addition to Arabic, the Arabic version shall prevail.

WORKING TIME, TIME OFF WORK & MINIMUM WAGE

Employees entitled to minimum employment rights

All. Additional rights are also available to young workers (those under the age of 18) and women.

Working hours

Maximum ordinary working hours = 48 hour per week at the rate of 8 hours per day. During the month of Ramadan, maximum working hours = 36 hours per week at the rate of 6 hours per day.

Overtime

The maximum working hours specified above must not exceed 2 hours per day, unless the work is essential for preventing a substantial loss or serious accident or for eliminating or relieving the impact of a serious accident.

The overtime and maximum working time provisions in the Labor Law do not apply to a number of prescribed categories of employees primarily, employees holding senior executive managerial or supervisory positions.

Wages

The minimum wage in Qatar is QAR1,000 per month. An employer must also provide its employees with suitable accommodation and meals. If the employer does not, then it must provide a monthly accommodation allowance of QAR500 and a monthly food allowance of QAR300.

Vacation

A minimum of 3 weeks' vacation per year, where the employee's period of service is less than 5 years, and a minimum of 4 weeks' vacation where the employee's period of service is 5 years or more.

Sick leave & pay

Employees are entitled to 12 weeks of sick leave per year of service (2 weeks at full pay, 4 weeks at half pay and the remaining 6 weeks without pay). Employees are not entitled to statutory sick leave until they have completed 3 months' service and unless they provide a sickness certificate from a physician approved by the employer.

Maternity/parental leave & pay

After 1 year's continuous service 50 calendar days' maternity leave at full pay. An employee can take a further 60 consecutive or non-consecutive days (unpaid) if the employee falls ill as a result of her pregnancy or the delivery of her baby.

There is no concept of parental leave or pay in Qatar.

Other leave/time off work

Employees may also be entitled to leave for other purposes, such as Hajj leave.

DISCRIMINATION & HARASSMENT

There are no discrimination laws in Qatar except for provisions which state that a woman must be paid the same as a man if she performs the same work and must be provided with the same opportunities with regards to training and promotion. The topic of discrimination is however addressed in Qatar's Constitution which prohibits discrimination on numerous grounds. Qatar is a signatory to (and ratified) a number of international conventions relating to human rights and discrimination. Qatar has also set up a number of human rights committees that in turn ultimately ensure that individuals are treated fairly and on equal footing and are not discriminated against.

WHISTLEBLOWING

There are no provisions in the Labor Law that expressly deal with whistleblowing; however, QFC employment regulations address whistleblowing. The Ministry of Labor has established a unified platform for complaints whereby employment violations may be confidentially reported to the Ministry of Labor.

BENEFITS & PENSIONS

It is mandatory for Qatari nationals working for government entities or joint stock companies (public or private) to be registered with the relevant pension authority. In addition, there are other companies that have been specifically made subject to this requirement pursuant to special resolutions issued by the Council of Ministers of Qatar. Employers are required to contribute to the pension fund and deduct employee contributions from the employee's salary.

All employees are entitled to receive an end-of-service gratuity (EOSG) on termination, calculated by reference to length of service, unless the employer contracts out of these arrangements with its employees by providing a savings scheme or pension scheme that is at least as lucrative as the EOSG payout. There are certain conditions under the Labor Law, which if present, would absolve an employee's right to an EOSG.

Qatar has adopted a wages protection system (WPS) whereby all employees must be paid in QAR once a month directly into a local bank account, or, for some categories of workers, every 2 weeks. The requirements took effect on November 2, 2015. Firms that flout the new rules risk penalties that may include monetary fines and an imprisonment term. While the requirement to pay via WPS only applies to employers under the Labor Law, in practice, the WPS is also used by a number of employers within the QFC.

DATA PRIVACY

On November 2016, Qatar issued a stand-alone data protection law No. 13 of 2016 on Protection of Personal Data Privacy (Data Protection Law). Businesses must take action to protect the privacy of personal data or risk fines of up to QAR 5 million. Key features of the law include:

- Personal data is defined as data relating to an individual whose identity is determined, or able to be reasonably determined, either through the data or through linking this data with other data
- The Data Protection Law applies to personal data when it is processed electronically, or when it is accessed or collected or extracted otherwise in preparation for its electronic processing, or when it is processed in a traditional and electronic way together
- The processing of personal data will be regulated in a way which bears similarities with existing data protection regulations elsewhere in the world
- Particular protection will be provided to certain types of personal data, such as data relevant to children, to physical and mental health and to crimes referred to as sensitive personal data
 - For example, parental consent will be required in connection with the online collection and processing of the personal data of children
- Businesses will need to implement suitable measures, including training, to protect personal data from loss, damage, modification, disclosure or illegal access
- Direct marketing will require the prior consent of the intended recipient and, amongst other requirements, the relevant communication must include a means by which the recipient may opt-out of future communications

This law may sit alongside the QFC data protection regulations and rules. It is also important to note that as per the Qatar Penal Code it is advisable to seek prior written consent to the processing of personal data from the employee to the extent necessary to overcome the various privacy protections.

RULES IN TRANSACTIONS/BUSINESS TRANSFERS

No automatic transfer principles and no laws covering business transfers. Employees transfer through termination and rehire in an asset deal.

EMPLOYEE REPRESENTATION

Trade unions/workers committees are not common in Qatar and are rarely formed, but they are permissible provided certain conditions are fulfilled. Employees in workers organizations may go on strike if an amicable settlement has become impossible and if they have complied with a number of Labor Law requirements.

TERMINATION

Grounds

Termination possible on these grounds: during the probationary period (provided the employee is proved to be incapable of carrying out the work), on the expiry of a fixed term contract, resignation, upon the mutual consent of the employer and employee, incapacity or death, dismissal with notice and summary dismissal (by reason of any

of the grounds listed in Article 61 of the Labor Law). Article 61 of the Labor Law sets out a limited list of circumstances (including when the employee attends work under the influence of alcohol, or is absent from work for period of 7 consecutive or 15 non-consecutive days) where an employee's employment agreement may be terminated without notice while forfeiting the employee's right to an EOSG. There is no general misconduct category.

Employees subject to termination laws

All employees.

Restricted or prohibited terminations

Employees who have not exhausted the statutory sick leave entitlement are protected from dismissal on grounds of health, unless the full sick leave entitlement has been taken (*ie*, 12 weeks per year of service). Women employees are protected from dismissal during maternity leave. A female employee may not be dismissed on grounds of her marriage.

Third-party approval for termination/termination documents

No.

Mass layoff rules

Without prejudice to the termination notice periods, employers seeking to terminate employment agreements for reasons not provided for in the employment contract (eg, due to economic reasons), must give notice to the Ministry of Labor at least 15 days prior to the termination date together with a statement of the reasons for termination, the number and categories of employees who will be affected, and the period during which the layoffs will take effect.

Notice

A minimum of 1 month's written notice where the employee has 2 years of service increasing to a minimum of 2 months' written notice where the employee has more than 2 years' service.

Statutory right to pay in lieu of notice or garden leave

There is a statutory right to pay in lieu of notice. Garden leave is not expressly and specifically dealt with in the Labor Law. As such, the employer and employee may contractually agree to provisions relating to garden leave.

Severance

Unless terminated under Article 61 of the Labor Law, employees are entitled to salary and benefits up to the termination date, notice (or payment in lieu), payment in lieu of accrued but untaken annual leave, the cost of a flight/air ticket to repatriate the employee to their home country or any other place agreed to by the employer and employee (unless the employee has obtained alternative sponsorship to remain in Qatar), an EOSG and reimbursement of unpaid business expenses.

In case of employer termination, employees are eligible for an EOSG where they have more than 1 year of continuous service. EOSG accrues at the rate of 3 weeks' final basic salary for each year of completed service

unless the parties agree on a greater amount. The calculation is prorated for any fractions of a year service that have not been completed. A different EOSG regime may apply for employees employed prior to 2004.

POST-TERMINATION RESTRAINTS

It is permissible to have restrictive covenants contained in the contract of employment to the extent necessary to protect the legitimate interests of the employer, provided the nature of the employees' work allowed them to know the company's clients and/or know the secrets of the business.

The covenants must be restricted in relation to duration (which must not exceed 1 year) and the nature of the business to be protected.

Non-competes

Typically no longer than 6 to 12 months.

Customer non-solicits

Typically no longer than 6 to 12 months.

Employee non-solicits

Permissible.

WAIVERS

Waiver agreements are commonly used, but their enforceability cannot be guaranteed.

REMEDIES

Discrimination

Not applicable.

Arbitrary dismissal

The court can award the employee compensation and/or in very rare instances, reinstatement. There is no cap on the level of compensation a court can award but typically this would be 2 -3 months of an employee's wage; however, this is dealt with on a case by case basis. Where a court orders reinstatement, it can also award compensation for the wages lost during the period the employee was prevented from working.

Failure to inform & consult

Not applicable.

CRIMINAL SANCTIONS

Criminal sanctions can be imposed for a variety of reasons, including, but not limited to, the breach of health and safety obligations, breach of immigration laws, breach of data protection laws and breach of confidentiality.

KEY CONTACTS



Iain Skinner

Partner

DLA Piper Middle East LLP

iain.skinner@dlapiper.com

T: +971 4 438 6368

[View bio](#)

Disclaimer

DLA Piper is a global law firm operating through various separate and distinct legal entities. Further details of these entities can be found at www.dlapiper.com.

This publication is intended as a general overview and discussion of the subjects dealt with, and does not create a lawyer-client relationship. It is not intended to be, and should not be used as, a substitute for taking legal advice in any specific situation. DLA Piper will accept no responsibility for any actions taken or not taken on the basis of this publication.

This may qualify as 'Lawyer Advertising' requiring notice in some jurisdictions. Prior results do not guarantee a similar outcome.

Copyright © 2022 DLA Piper. All rights reserved.