

On 13 December 2015, Law No. 21 of 2015 Regulating Entry, Exit and Residency of Expatriates (the “New Sponsorship Law”) was published in Official Gazette No. 19 of 2015. The New Sponsorship Law repeals and introduces long-awaited reforms to Law No. 4 of 2009 (the “Old Sponsorship Law”). The new law will not come into effect until 14 December 2016 (one year after its publication in the Official Gazette).

Please note that no additional guidance regarding the new law has been issued at this time. Local sources have indicated that executive regulations will be issued soon.

We have summarized below certain key provisions of the New Sponsorship Law. We encourage employers to begin exploring how the New Sponsorship Law may affect their business in the coming months.

Exit Permits

Under the Old Sponsorship Law, an employee must obtain permission from his sponsor under most circumstances in order to obtain an exit permit to leave the country. The exception being when the employee holds a multiple exit permit. The New Sponsorship Law establishes a new process by which the employee or the sponsor must notify the authorities at least three days before any scheduled departure. If the sponsor notifies the authorities of the scheduled departure, no additional action has to be taken. If the employee notifies the authorities, then the authorities must notify the sponsor and provide the sponsor with three days to object to the departure. In the event the sponsor objects, the employee can still file a complaint. In the case of emergencies, the authorities must make a decision about the exit application within three business days of notification.

Changing Employers and NOC

Under the Old Sponsorship Law, an employee must obtain a no objection letter (NOC) from his current sponsor in order to transfer his sponsorship to a new sponsor. The New Sponsorship Law introduces certain much-anticipated changes to this requirement. Rather than completely do away with the requirement, an employee will still need to obtain a NOC if he wishes to transfer his sponsorship before the expiration of a fixed term contract or during the term of an indefinite duration contract. Otherwise, an employee will be able to immediately transfer to a new sponsor if his fixed term contract expires or after the expiry of five years of service if his employment contract is of indefinite duration.

Returning to the Country For Another Job Opportunity

Article 4 of the Old Sponsorship Law restricts former resident employees from obtaining a re-entry visa in Qatar until two years have elapsed from the date of their departure.

The New Sponsorship Law does away with the two year moratorium period, and provides that subject to the approval of the competent authority, a former resident employee may return to Qatar if he satisfies the entry requirements specified in the Law and its executive regulations.

Possession of Passports

Despite practices to the contrary, the Old Sponsorship Law does not allow a sponsor to keep its employee’s passport during the term of the employment contract. However, Article 8 of the New Sponsorship Law authorizes the employer to keep an employee’s passport subject to a written request of the employee.

Obligations on Sponsors

Article 19 of the New Sponsorship Law requires a sponsor to notify the authorities, within 14 days, (i) if an employee resigns; (ii) if an employee refrains from leaving the country within 90 days from the date of cancellation or expiry of his/her residence permit; or (iii) after the expiration of an employee’s visit period or fulfilment of the purpose for which he/she was allowed to enter the country.

Employee Debts

Articles 20-36 of the Old Sponsorship Law regulated the relationship between sponsors, creditors and sponsored persons in relation to debt and financial obligations. Sponsors who act as guarantors are required to pay the debts of the employees they sponsor, if they are notified of such debts and if they agree to pay such debts in the event the employees fail to pay the debts (often in the case of termination of employment).

The New Sponsorship Law does not impose such obligations on sponsors.

Exemptions

According to Article 46 of the New Sponsorship Law, GCC nationals are exempt from the application of the new law. The Minister may also exempt any person from the New Sponsorship Law for humanitarian and compassionate considerations.

Ban List

Article 47 of the New Sponsorship Law provides for a “ban list” for sponsors or employees who violate the New Sponsorship Law. The new regulations should clarify how the “ban list” will be implemented in practice.

Should you have any questions, please contact us.

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