



## Dubai Team

22 May 2026

### Dubai Team



### *Team Leaders*

#### Marco De Leo

[marco.deleo@belex.com](mailto:marco.deleo@belex.com)

Tel. +39 02 771131

+971 45646618

#### Catia Tomasetti

[catia.tomasetti@belex.com](mailto:catia.tomasetti@belex.com)

Tel. +39 02 771131



### *Authors*

#### Marco De Leo

[marco.deleo@belex.com](mailto:marco.deleo@belex.com)

Tel. +39 02 771131

+971 45646618

#### Riccardo Denaro

[riccardo.denaro@belex.com](mailto:riccardo.denaro@belex.com)

Tel. +971 45646618

#### Nour El Shinnawi

[nour.elshinnawi@belex.com](mailto:nour.elshinnawi@belex.com)

Tel. +971 45646618

## UAE Wage Protection System – Key changes introduced under Ministerial Resolution No. 340 of 2026

### 1. Introduction

The Ministry of Human Resources and Emiratisation (“**MOHRE**”) has issued Ministerial Resolution No. 340 of 2026 (“**Resolution**”) on the Wage Protection System (“**WPS**”), introducing important changes to wage payment timelines and compliance thresholds for private sector employers in the UAE. The Resolution will come into force on 1 June and repeals the existing Ministerial Resolution No. 598 of 2022.

The Resolution is part of MOHRE’s continued efforts to strengthen wage payment compliance and payroll transparency across the private sector. Employers operating in the UAE mainland should therefore review their payroll practices and WPS compliance procedures before the new measures come into effect.

### 2. Overview of the main provisions

#### 2.1 Unified wage payment date

The Resolution introduces a unified date for wage payments across the private sector. Wages must now be paid by the first of the month for work done the month before; any payments after that date will be considered late.

All establishments registered with MOHRE must process wages through the WPS or other payment systems approved by MOHRE, and keep and submit records of compliance in accordance with MOHRE mechanisms.

#### 2.2 85% compliance threshold

Under the new rules, employers must pay at least 85% of wages by the first of the month in order to be deemed compliant.

This means employees must receive at least 85% of their wage, and the amounts not paid must be lawful deductions or withholdings made in accordance with the applicable legislation, without prejudice to the worker’s right to claim any amounts due thereto.

### 2.3 Late payment penalties

Penalties apply for failure to pay wages on time depending on the seriousness and duration of the delay, ranging from fines to travel bans for managers or owners, as well as referral to the Public Prosecution and the competent authorities.

The Resolution also sets out certain categories of workers and entities that are excluded from the WPS framework and permits employers to delegate wage payment obligations to third parties, subject to conditions and requirements.

---

### 3. How we can assist

---

The Resolution introduces a more standardised and compliance-focused framework for wage payments in the UAE private sector. Businesses operating in the UAE should therefore assess whether they need to update their payroll cycles, WPS procedures, internal controls, or outsourcing arrangements before the 1 June implementation date.

Our Dubai Team is closely monitoring the implementation of the Resolution and any related guidance issued by MOHRE. If you would like to discuss how the new WPS framework will affect your business operations or compliance procedures in the UAE, reach out to your usual contact at our firm or to any member of our Dubai Team – we'll be happy to assist.



#### **Dubai Team**

[Catia Tomasetti](#)

[Francesco Martello](#)

[Marco De Leo](#)

[Sami Moacdieh](#)

[Roberto Flammia](#)

[Letizia Santin](#)

[Riccardo Denaro](#)

[Nour El Shinnawi](#)

[Marzia Spadea](#)