

## Temporary Labour-Migration System and Long-term Residence Strategies in the United

### Arab Emirates

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#### Abstract:

The United Arab Emirates' migration system, the sponsorship-based *kafala* system, is defined as a temporary labour-migration regime. Although there do exist policies making permanent residence unattainable for virtually all migrants, it is still relevant to explore the temporality of migrations in the UAE. The purpose of this study is to investigate developments in migration, migration policies and population trends in the country, including trends that concern the duration of migrants' stay. Furthermore, we also identify some of the major strategies used by migrants to prolong their sojourn in the UAE. It is maintained that the migrant stock has increased continuously in the last decades and that a large number of migrants devise strategies to further their residence and remain in the country for years. The authors also identify and discuss migrants' transition within and in-between regularity and irregularity, and we analyse the reasons for utilising different strategies over time.

**Keywords:** history of migrations; labour migrations, temporary migrations, the UAE, migration strategies

## **Introduction**

The United Arab Emirates (UAE) attracts a large number of labour migrants from all over the world. The UAE originally developed an immigration system designed to entice vast numbers of non-permanent foreign guest workers in order to help meet the substantial need for labour, which resulted from large-scale modernisation efforts. Economic prospects continue to make the country an attractive destination for migrants. This has created a situation in which foreign guest workers make up the vast majority of the population of the UAE.

The immigration of labour migrants to the Emirates, similar to other Gulf states, rests on the sponsorship-based temporary labour-migration regime. Yet, foreign workers in the UAE employ a wide variety of strategies that they use to maintain their residence despite the inherent uncertainty posed by the nature of the UAE immigration system. Some immigrants work within the legal means of immigration set by the country's authorities. However, the difficulty of working and prolonging their residence in the country within the regular immigration system has also led to the use of alternative strategies.

This article focuses on the recent history of labour migrations to the United Arab Emirates. One important element of the labour migrations to the country is the regular and irregular strategies adopted by foreign labour migrants. Numerous studies have explored the restrictions and the general outcomes of the temporary sponsorship system in the Gulf Cooperation Council (GCC) states in general, and the UAE in particular (Valenta and Jakobsen, 2016, Valenta, Strabac, Jakobsen, Reitz, Al Awad, 2017; Babar, 2017; Irudaya Rajan, 2016; Kamrava and Babar, 2012). However, possibilities of long-term residence in the Emirates, a country which formally defines immigrations as temporary, are still insufficiently explored. Our aim is to examine the scale and drivers of long-term residence strategies within and outside of the main system of sponsorship, the

*kafala* system. Furthermore, this article also identifies recent changes in the UAE's *kafala* system that enable longer-term temporary residence in the country.

This paper seeks to answer questions such as: (i) How can the developments in the labour migrant stock be explained? (ii) What is the duration of stay of various categories of migrants in the UAE? (iii) What strategies do migrants use to stay in the country for a long period? (iv) How do migrants mix and switch between and among strategies throughout the course of their prolonged residence in the country?

These research questions provide the basis for an exploration of migrants' adjustments to the UAE's temporary labour-migration regime. However, they may also be of relevance for researchers interested in temporary and circular migrations in other countries – within or outside the GCC region. Several countries in North America, South Asia and Europe have policies and guest-worker programmes that regulate the influx of temporary labour migrants. There are many differences between these programmes and the labour migration system in the UAE with regard to their size, their socio-economic frames and their political contexts. Commonalities still exist, however: as is the case in the United Arab Emirates, all or most of these other migration regimes impose limits on the duration of residence, they restrict access to certain rights and, in in one way or another, they tie the temporary migrants to their employers. The receiving countries also encounter similar dilemmas and challenges that may undermine their sustainability and generate various controversies and resentments (Castles, 2006; Howe and Owens, 2016; Ruhs, 2013). Therefore, the Emirati experience is also of relevance for researchers and policymakers outside the UAE and the GCC region. In addition, the analysis herein also relates to general discussions about the costs, benefits and sustainability of large-scale temporary and circular labour migrations – and to discussions about the 'numbers vs. rights trade-offs' (Castles 2006; Ruhs 2013).

Our analysis is based on a variety of data sources. We combine relevant international and local statistics and previous relevant research and policy documents with insights from multiple visits to the United Arab Emirates. We rely on data from the United Nations, Department of Economic and Social Affairs, Population Division; the World Bank; the UAE's population census data; and data from the UAE's Labour Force Survey. In the period 2013-2018, we also visited the country several times. The fieldwork we undertook included interviews and interactions with various categories of immigrants, *inter alia* long-term residents from different nationalities employed as cleaners, taxi drivers and workers in real estate and tourism. We also conducted meetings with local experts, scholars and students at universities in Dubai and Abu Dhabi who themselves are migrants and long-term residents in the UAE.

This article is divided into several closely related sections. It begins with an introduction to the history of labour migrations to the UAE and an overview of migration trends in the period 1960-2017. This will serve to give the background information that is necessary for understanding the current state of labour migration in the Emirates. We will then introduce the main regular method of immigration – the *kafala* system – and outline relevant statistics on immigration trends and the duration of stay before exploring combinations of strategies outside that system.

### **International perspectives on temporary labour migrations**

Large influxes of migrants often produce multiple social, cultural, economic and political concerns in the receiving countries. One common way of addressing these concerns is to define large-scale migrations as temporary. Another is to restrict migrants' access to various social, economic and political rights; *inter alia*, their access to ownership and welfare benefits, as well as their access to certain professions and to parts of the education system (see Valenta, 2017; Babar, 2017; Castles,

2006; Ruhs, 2013). Various facets of such policies have been observed around the globe, and such restrictions seem to be gaining support, among other places in Europe and North America. Yet, the UAE conceivably represents the ultimate case of such ‘high numbers and low rights trade-offs’ (Valenta, et al, 2017; Ruhs, 2013). The authorities in the Emirates seem to deal with the above-mentioned concerns by consistently stressing that the migrations are temporary. In addition, the authorities have maintained a clear distinction between its own citizens and foreigners with respect to their access to a number of social rights, including welfare benefits.

A comprehensive comparative study of labour-migration programmes, undertaken by Ruhs (2013), concludes that labour-migration programmes ‘in GCC countries and Southeast Asia place significantly more restrictions on migrant rights than programs in Latin America, Europe and North America’ (Ruhs, 2013: 89). Such an extensive and detailed comparison of advantages and disadvantages of the GCC and the UAEs migration system compared to migration policies in other regions and countries lies beyond the scope of this article. However, we do make two general observations. First, we acknowledge that labour-migration programmes – both in the GCC and elsewhere – that restrict the social rights of temporary migrants are regularly criticised by researchers and organisations concerned with workers’ and migrants’ rights (Howe and Owens, 2016; Irudaya Rajan, 2016; Kamrava and Babar, 2012). Second, and contrarily, some scholars point out that the promotion of the rights of existing migrants may in fact work to undermine the long-term sustainability of temporary-migration programmes. For example, Ruhs (2013) points out that high rights may result in low numbers. This is so, he reasons, because the demand for foreign labour will decline due to the increased costs associated with an improvement of migrants’ rights, which will in turn result in more restrictive immigration policies. Furthermore, more restrictive policies will work to the detriment of potential future labour migrants, not only because

the promotion of such rights increases costs for employers, but also because it augments the burden on welfare services and potentially produces resentment among the local population (Ruhs, 2013).

The above-mentioned concerns and dilemmas provide a broad frame for thinking about and analysing temporary migration schemes. However, our focus is not primarily directed towards general debates about ‘high numbers and low rights trade-offs’. We are rather interested in one specific dimension of this debate, the one that relates to migrants’ agency – viz. migrants’ *responses* to such restrictions of rights that are embedded in the temporary migration regimes. The UAE’s migration system is commonly depicted as the ‘ultimate’ temporary migration regime, but it is unclear both how migrants cope with it and precisely how temporary the migrations to the country actually are. We believe that the UAE’s experiences with these questions may be of considerable relevance to discussions, as they appear both in the GCC and elsewhere, about different forms of temporariness, and about the sustainability of temporary migrations programmes (Valenta, et al, 2017; Castles, 2006; Howe and Owens, 2016; Ruhs, 2013)

#### *Temporary migrations in the UAE in theory and practice*

The United Arab Emirates is, in relative (per-capita) terms, the largest receiver of labour migrants in the world, and the influx of migrants has dramatically shaped UAE demographics. It is estimated that the country harbours eight million immigrants, which make up almost 90 % of its total population. However, in the UAE, there is no formal option for permanent residency. Moreover, temporary status is not only held by first-generation immigrants; the UAE determines who is and who is not a citizen based on *jus sanguinis*; that is to say, based on whether one or both of an individual’s parents is a citizen (United Arab Emirates, Ministry of Justice, 2008b). The UAE does

not, in other words, recognise *jus soli* citizenship, or citizenship granted to anyone born in the country. In this system, therefore, those born in the country to foreign parents cannot claim naturalisation rights (Vora, 2013); instead, they assume the same nationality as their parents and are still legally regarded as temporary migrants. This creates a situation where the migrant's legal status is insecure as visa renewal is not guaranteed regardless of how long the migrant has resided in the country (Abdi, 2015; Ali, 2010). Although there do exist cases where citizenship has been granted to foreigners, these are extremely rare exceptions. One way in which citizenship can be obtained is by a court order of a ruler. Another way is through marriage to an Emirati man who is a citizen, although in this case there is no guarantee that citizenship will be granted (Babar 2017; Naufal, 2011:).

Indeed, in theory, the immigration regime in the UAE manages large-scale labour migrations of people who are meant to be staying only temporarily in the country. The granting of residence is explicitly linked to temporary work contracts with employers/sponsors, contracts that have to be renewed every two or three years. Nevertheless, the UAE migrant stock has increased continuously, and in some years extraordinarily, in the last decades. Figure 1 shows the increase in the migrant stocks to the UAE from the largest sending countries, for the period 1960-2017.

**Figure 1. Here**

The migrant stock can increase in temporary migration regimes in cases when the influx rate surpasses the return rate. This may be especially visible when a large influx of migrants is combined with low turnovers or return rates among segments of the migrant population that were

meant to stay only temporarily. This is what seems to have happened in the Emirates. As illustrated in figure 2, data from the last three censuses in the UAE show that a substantial share of the total immigrant population is made up of people who have been in the country for longer than six years.

Due to the steadily growing influx of new migrants, short-term residents have at any time made up the largest proportion of the migrant stock in the United Arab Emirates. However, as Figure 2 indicates, a considerable proportion of migrants (around 40 %) had, at the time of each census, stayed over six years in the country. Proportions are higher still for Arab migrants: In 2005 (as in 1995), more than half of migrants from Arab countries had been in the UAE for more than six years. A considerable proportion of migrants from other regions were also effectively long-term residents (Europe and North America constitute a partial exception). This is a trend whose starting point largely coincides with the economic take-off in the Emirates (Valenta and Jakobsen, 2016).

**Figure 2. Here**

According to the census data, there were 984 000 immigrants (foreign-born) in the UAE in 1985, of which only 6 % (54 000) had been there for more than 15 years. However, it seems that many of the migrants who arrived in the 1980s and 1990s managed to prolong their residence in the UAE. The number of long-term resident migrants rose in the years that followed; according to the census data, in 2005 there were 3.2 million migrants in the country. A significant share of these people were long-term residents: half a million had stayed over 15 years in the UAE, and an additional 400 000 had been there for longer than ten years. The 2005 census data are the latest ones available, which means that we do not have access to any equally systematic data on the



length of migrants' stay for the most recent years. This is unfortunate considering that the most rapid growth in migrant stocks has taken place since 2005 (please recall figure 1). Still, an obviously plausible assumption is that a significant proportion of migrants who arrived in the UAE after 2005 encompasses people who have in effect become long-term residents.

Other, more recent data sources of relevance – i.e. data that categorise migrants by nationality and length of stay – do exist, though. One such source is the UAE Labour Force Survey, conducted in 2008, which drew on a sample of 55 500 individuals. The survey shows that the numbers for most nationalities include a large share of people who have been in the Emirates for many years. Indeed, the majority of nine of the ten groups in the survey (Filipinos are the exception) have resided in the UAE for more than ten years; and at least two thirds of every group have stayed for more than four years. Such similarities aside, there are, of course, also a few differences between these nationalities. Some groups have a particularly large proportion of long-term residents; this is not least the case for Yemenis in the UAE, 81 % of whom have been migrants there for over ten years. If we use a lower threshold to identify aspiring long-term residents, numbers become more startling still. Nearly all migrants to the Emirates from Yemen (97 %) and Sudan (95 %) have resided there for over four years; numbers are almost as high for most of the other nationality groups, such as Jordan (91 %), Pakistan (90 %), India (87 %) and Egypt (85 %). As for Indonesians and Filipinos, while these two nationality groups also include a substantial proportion of long-term residents, they also contain a large proportion of migrants who have stayed for a comparatively shorter time.

At this point, it is important to stress that individuals residing in labour camps were not included in the survey; it is certainly conceivable that there is a larger turnover among these immigrants. Figure 1 showed the tremendous increase in the migrant stock that the UAE has

experienced in the last few decades, an increase especially driven by migration from India, Bangladesh and Pakistan. Yet, the Labour Force Survey indicates that short-term migrants make up a relatively low share of this influx. One possible explanation for this discrepancy is that a large part of these migrations consisted of newcomers residing in labour camps who were not participants in the survey. Contrarily, migrants from the Philippines and Indonesia exhibited a different pattern of distribution, which may be related to the fact that most migrants from these states in the UAE are domestic workers. This could have resulted in a larger proportion of these nationality groups, both short and long-term residents, being included in the survey.

Nevertheless, the population censuses and the Labour Force Survey clearly show that the number of long-term residents has increased substantially since 1980s and that a large proportion of temporary labour immigrants – at least those who do not live in labour camps – have been in the UAE for several years. Such developments are somewhat surprising considering that the migration system of the Emirates is defined as a *temporary* labour-sponsor regime based on short-term labour contracts that usually last two or three years. The relevant question for us is how these migrants have actually managed to prolong their stay in the UAE. In the next pages, we outline the strategies migrants use to stay in the country long-term.

### **Legal ways of prolonged residence**

We have identified several legal options available for migrants who want to prolong their temporary stay in the UAE. These include, among others options: multiple renewals of sponsor contracts; migrant entrepreneurships with Emirati partners; long-term residence via investments in free zones and freehold areas; family sponsorship; student residence; and visa change. Furthermore, these legal ways of prolonging the length of stay in the country may be combined in

various ways, resulting in long-term stays that may in fact last for decades. In what follows, we describe in detail the above-mentioned options. We also identify some recent changes in legislation that may provide new avenues to long-term residence.

#### *Multiple renewals of sponsor contracts and legal strategies of visa change*

The main system of immigration to the United Arab Emirates and other Gulf states is the *kafala* system. In this system, an individual or an enterprise acts as a sponsor, or a *kafeel*, for an immigrant. The *kafeel* can sponsor a migrant as an employee in his company or as a domestic worker. The vast majority of immigrants come through this system. The worker's visa is tied directly to his or her sponsor. To change jobs, migrants must have their sponsorship transferred to the new employer in order to remain compliant with the law (Kathiravelu, 2016). Migrants under the *kafala* system experience some constraints due to the nature of their visas; *inter alia*, a job change requires the migrant to obtain a No-Objection Certificate from his or her employer. If the employment contract is ended either by the migrant or the sponsor, the migrant loses his or her labour permit and is required by law to leave the country unless a new sponsor is found (Kathiravelu, 2016).<sup>1</sup> However, although the *kafala* system is based on temporary labour contracts, it gives the migrant and the sponsor the opportunity for multiple renewals of the contract. In some cases, the contract is renewed with the same employer each time the temporary two/three-years contract has expired. In other cases, the migrant may find another employer (sponsor) after the contract with the previous employer has ceased. Either way, such multiple renewals of sponsor contracts prolong the temporary residence in the UAE. This seems to be the general practice used by most long-term residing migrants in the country. For some migrants such contract renewals

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<sup>1</sup> The UAE is reforming its *kafala* system, *inter alia*, by softening employees' ties to their *kafeel* (De Bel-Air, 2018). The most recent changes will be discussed later in the article.

have enabled them to obtain uninterrupted residence in the country for decades. During our fieldwork, we met different categories of migrants; that is, not only high-skilled professionals but also low- and semi-skilled migrants, such as taxi drivers and people employed in the tourism industry, who had stayed for years in the UAE by renewing their contracts with local employers or sponsors. We also met migrants who combined such a strategy with shorter or longer stays in their home country or with education or employment in other countries.

The temporary sponsorship system allows long-term residence via multiple renewals of temporary contracts. However, in cases where migrants do not manage to renew their contracts, authorities require them to leave the country. This creates insecurity and the need for a substitute or back-up residence-prolonging strategy. People may, for example, first arrive to the Emirates on visitor visas and then find the local sponsor and employer and change visa accordingly. Sometimes this requires that they leave the UAE and then re-enter the country, as in the case of a tourist visa. The visa change is a commonly-used strategy, according to our informants. People change their legal visas in the course of their trajectories as temporary migrants. There are several other versions of visa change. Some migrants, for example, are first employed as semi-skilled or skilled employees for local employers. Thereafter, they become entrepreneurs starting their own business in partnership with a local Emirati. After several years, and following, say, bankruptcy, they again find employment as regular employees. Others managed to develop their businesses, eventually even recruiting their friends and family members. We met many migrants who described their trajectories of social mobility and prolonged stay in the country, which included multiple renewals of work contracts and changes of employers. For example, one Indian migrant we spoke to had lived in the UAE for twenty years, at first working as an assistant in a restaurant. Later on, he changed employer and worked in car-rental agency. Thereafter, he obtained employment at a real-

estate agency where he managed to save enough money to gain an entrepreneur visa and start his own real-estate rental agency together with the local Emirati partner.

#### *Migrant entrepreneurs as long-term residents*

Migrants may also get temporary residence in the UAE as entrepreneurs. These people are also per definition on a temporary permit in the country, but in practice they may live there for decades in so far as their business is active. According to some of our informants, they had transformed their status as an ordinary employee for a local sponsor to the status of entrepreneur via relatively small investments. For example, some had started small firms, together with other partners (who were also migrants), where each partner contributed an investment of 30 000 dirhams (AED), which amounts to around 8,000 US\$. Some even registered several firms. Some of the businesses were active, money-making ones, while others were used primarily to provide entrepreneur status to their owners' family members in order to secure residence in the country. There are, however, several requirements for the establishment and management of such businesses. Importantly, a prospective migrant entrepreneur must find an Emirati business partner to be their *kafeel*/sponsor and majority shareholder of the company. In some cases, the Emirati national and the foreign national are in a true partnership. The national participates in the daily activities of the business even if the participation is less than indicated by the percentage of ownership (Abdi, 2015). On the other hand, in many cases the Emirati national's involvement in the business only exists on paper. In other words, the national serves mainly as a 'silent partner' whose participation does not extend beyond the formalities and requirements dictated by the law. This was also the case in the above-mentioned real-estate agency. The migrant entrepreneur will either pay an annual or monthly fee or a percentage of the profits to their Emirati partner in exchange for satisfying the legal

requirements. The Emirati partner typically signs a side agreement stating the terms of the partnership. This method is commonly used as a basis for long-term residence for migrants with the necessary funds. Such Emirati-migrant business partnerships can potentially provide jobs and a means of gaining visas for migrant workers as well as for their family members and relatives. Many of these migrant company co-owners may provide residence permits to other migrants by offering them partnership or, through their enterprises, by sponsoring workers from their home countries.

Free zones are another option for long-term residence for potential migrant entrepreneurs and investors. The first free zone in the United Arab Emirates, the Jabel Ali Free Zone, was established in 1985 (Ali, 2010). Since then, the Emirati government has established 45 such zones throughout the country (Cherian, 2017a). Free zones have attracted numerous large international corporations, banks and universities as they provide tangible benefits to enterprises, such as exemptions from taxes and from ownership restrictions (Ali, 2010). Businesses in these areas operate outside of the sponsorship system. Therefore, a foreigner is legally able to hold a majority share or the entirety of the enterprise and does not depend on a sponsor to serve as a business partner (Kathiravelu, 2016). As long as they have a successful business to run, migrant entrepreneurs in the free zones will be entitled to a multi-entry visa; and in practice they are allowed to reside in the country indefinitely.

There are also other ways through which wealthy migrants can obtain indefinite residence in the country; *inter alia*, they may buy property in the *freehold areas*. Established in 2006, freehold areas are designated areas where foreigners are allowed to buy property (Saade, 2012). Non-Emiratis who buy residential property in a freehold area can get a residential permit, or a multi-entry visa. The property purchased must also be fully owned by the foreign investor (Bobker,

2015), and it must be worth at least AED 1 million (Mojidi, 2016) – or about 300,000 US\$. In addition, eligibility requires that the property owner makes a salary of at least AED 10,000 a month (or the equivalent in another currency). This income can come from within or outside the UAE. However, the visa does not grant the right to work within the Emirates (Bobker, 2015). Freehold-area visas and residential permits concern property ownership. This visa does not give entrepreneurs the same rights as those who own businesses in free zones. Even if the freehold property is located in a commercial area, the foreign owner is not permitted to hold a majority share in a business.<sup>2</sup> It is important to stress that migration by way of using free zones and freehold properties is quite cost-prohibitive and can thus only be used by the wealthy. Yet, as the above makes clear, people who do belong to this high-earning segment of the UAE expat population may gain residence which in theory is still temporary, but which in practice provides indefinite residence.

*Family members: Family sponsorships and family partnerships*

UAE law does allow temporary migrants to sponsor immediate family members to join them in the country. However, men wanting to sponsor their wives and children must make at least AED 3000 a month with accommodation provided by their company – or, alternatively, AED 4000 a month without accommodation – in order to qualify for family reunification (Cherian, 2017b). Legal residents through family sponsorship do not have a visa tied to an employer; they are, therefore, sponsored outside of the *kafala* system. Spouses and children who are in the United Arab Emirates courtesy of a family sponsorship visa can be sponsored as long as their sponsor

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<sup>2</sup> If they start a business, they must go into partnership with an Emirati national by means of the *kafala* system (Saade, 2012). A foreign ownership of one hundred per cent is only allowed in free-zone areas.

retains his residence permit and continues to meet the salary requirements. Furthermore, fathers can sponsor unmarried daughters regardless of age, but after the daughter is married, she is no longer eligible to have her visa sponsored by her father. If that is the case, the husband becomes her sponsor provided that he meets the salary requirements. A son, on the other hand, can only be sponsored by a family member until he turns 18, except for full time students who can be sponsored by parents or by their educational institute as long as they maintain a student status. However, the new visa regulations allow students to stay on their parents' sponsorship for two years after graduation so as to give them a reasonable chance to find jobs and move into employment visas. If he is not a student, after turning 18 years, a male is no longer eligible for family sponsorship and must find his own sponsor in order to remain in the country legally. Therefore, spouses and other close family members of these migrants who want to live in the UAE have to find their own employer (sponsor) via the *kafala* system. Yet, here as well, opportunities arise due to various nuances in legal and semi-legal strategies; such opportunities include the registration of a business partnership with close family members, which is yet another way in which legal residence in the country can be obtained. Another common strategy, according to our informants, is for a migrant to provide a visitor visa for his wife, and later to transform her status by finding her employment. Moreover, families who own a small business sometimes also hire their children as employees after the latter lose their family sponsorship.

Family members of long-term residents in the UAE often prolong their residence in the UAE by enrolling in a university. In fact, a majority of students in the country are actually international students. There are more than 70 000 international students studying in the Emirates; and, according to Dubai Statistics Center, there were 60 000 students in Dubai in 2016, almost 40 000 of which were non-Emirati (UNESCO Institute for Statistics, 2017; Dubai Statistic Center



2016). Most of the international students are children or spouses of long-term temporary migrants residing in the UAE who can afford to pay for the fees required by the private universities. This effectively means that university education is a highly relevant residence-prolonging strategy. By investing in a university education, therefore, the students may prolong their legal stay in the UAE and thereby enhance their possibilities for eventual employment in the country.

Using various combinations of the above-mentioned strategies thus helps many long-term residents to stay legally in the UAE for decades. For example, some arrive on a visitor visa; then they find employment and change their visa; and thereafter they prolong their stay via multiple renewals of temporary job contracts. Others at first obtain legal residence via family sponsorship. Later, they prolong their sojourn in the country as university students. Then, after they have completed their university education, they find employment via the sponsorship system. In later phases of their family life, they may even themselves become family sponsors for their spouse, their children and/or elderly family members. Moreover, they may invest in their children's education; *inter alia*, by financing their university education abroad with the hope that they will lengthen their stay (or quickly return to the UAE if they first have to leave), get good jobs and be able to sponsor their parents after these have retired (Abdi, 2015).

With regard to the latter point, Emirati authorities have imposed several restrictions on migrants' retirement. Since residence permits are directly tied to employment, once a migrant retires he or she loses his or her residence permit. Moreover, all foreign workers must retire after they turn 60. After this, they are no longer eligible for a residence visa and are thus forced to return home, which indeed many migrants do or plan on doing. Of course, there are also a great number of people who, for various reasons, do not wish to return home. This group includes, for example, migrants who have been in the country for decades, many of whom have even raised their children

in the country. Retirement in the United Arab Emirates can also be attractive for many people who origin from low-income countries, which are often also politically unstable ones, who wish to take advantage of the location, the security and the lifestyle they have gotten used to in the UAE. However, in order to stay in the post-retirement phase as well, they must have a substantial amount of social or economic capital – and preferably both. There are, to be sure, a number of consultancy agencies that assist expatriates in finding a post-retirement strategy that is adjusted to their budget as well as to their overall situation. Migrant entrepreneurs can also stay if they have a business to run. Alternatively, their children or friends may register them as partners in the firm and in this way provide them with legal residence. Also, consultancy firms can help expatriates hoping to spend their retirement in the UAE set up companies in free zones to make them eligible for an investor visa.

#### *Recent developments in the kafala system in the UAE*

UAE is reforming its sponsorship system. No-objection certificates which tied the workers to their employers are gradually being replaced by regulations which will give temporary labour migrants more freedom to change their employers. No-objection certificate from employer will be replaced by a visa stamp issued by the UAE labour authorities. It is also announced that it will be easier for labour migrants to leave the employers if their employers disrespect prescribed employment standards or violate the job contracts (De Bel-Air, 2018).

UAE authorities also announced in 2018 that they would henceforth allow migrants to stay in the country after retirement on long-term visas – provided, that is, that they either own a property valued at a minimum of 2 million dirhams, or have financial savings of no less than 1

million dirhams, or have an income of a minimum of 20,000 dirhams per month. The new legislation will enter into force in 2019.<sup>3</sup>

In June 2018, the authorities also announced that they would allow 100 per cent ownership of UAE-based businesses by foreign investors. Another recent resolution, announced in March 2018, allows high-skilled migrants to work part-time for an additional employer without first having to obtain permission from their existing, primary employer.<sup>4</sup> Furthermore, the authorities announced in 2018 that they would extend residency visas for up to 10 years for investors and specialists in scientific, technical, medical and research fields.<sup>5</sup>

The above-mentioned changes indicate significant developments in the *kafala* system in the UAE as they contribute further to softening employees' ties to their *kafeel*. It may be argued that several actors stand to benefit from such relaxations of the sponsorship system. Of course, migrant employees will have more freedom to choose among a variety of jobs in a more flexible labour market. It is expected that the most recent changes in the UAE's migration policy will make long-term residence more predictable for migrant entrepreneurs and for selected categories of specialists in so far as it will allow for a new legal residence-prolonging strategy. Furthermore, local employers who are eager to keep skilled workers and who take an interest in reducing turnover costs, including the cost of recruiting and training new employees, will be in support of long-term visas. On the other hand, some local Emirati partners, broker agencies and employers who, to their own benefit, used or exploited the rigidity of the old *kafala* system to restrict the rights of unsatisfied employees will probably be unsupportive of such changes.

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<sup>3</sup> See Reuters: <https://www.reuters.com/article/us-uae-realestate-economy/uae-approves-law-granting-residency-to-retired-property-investors-idUSKCN1LW0H8> (last accessed October 17, 2018)

<sup>4</sup> See Khaleej Times: <https://www.khaleejtimes.com/news/general/uae-companies-can-now-hire-employees-under-part-time-contract--> (last accessed October 17, 2018); for other changes see also De Bel-Air (2018).

<sup>5</sup> See <https://www.reuters.com/article/us-uae-investment/uae-to-allow-100-percent-foreign-ownership-of-businesses-by-year-end-idUSKCN1IL0Q9> (last accessed October 17, 2018)

### **Regular and irregular strategies: Switching from regularity to irregularity and vice versa**

In terms of strategy choices, switching from regularity to irregularity – and vice versa – also forms a salient part of the trajectories of long-term residents. Major elements of these trajectories include the usage of free visas, irregular employment, amnesties and re-entering.

#### *Free visas*

According to Emirati law, a migrant is only permitted to work for his or her *kafeel*. In practice, however, this is not always the case (Kathiravelu, 2016, p. 68). A common strategy used is acquiring ‘free visas’ from sponsors who do not have any intention of actually hiring the migrant (Abdi, 2015; Irudaya Rajan and Joseph 2016). However, in UAE legislation there does not exist such a thing as a free visa. The trading of free visas is indeed illegal, but it may provide migrants with (what appears to be) legal entrance and subsequent (fictive) contract renewals that result in prolonged residence. Many companies registered in the UAE are, in fact, illegitimate firms that are involved in such visa trading. Others are legitimate ones that sometimes also provide free visas. One estimate suggests that at least 180,000 UAE-registered companies engage in the trading of free visa for as many as 600,000 migrants (Abdi, 2015). Some companies operating in free zones have also issued visas to migrants without the intention of hiring them. In these cases, as well, migrants just use the visa issued by a free-zone company to enter the country and to renew their residence visa, but they later land jobs with other companies.

Free visas are often combined with irregular employment only as a transitional strategy prior to the migrant finding regular employment. Some of our informants admitted that they, in a few cases, have provided sponsor contracts without concurrently offering a job, but they stressed

that they only did that to their closest friends or kin in order to help them for shorter periods before they found legal employment. Indeed, they were generally reluctant to offer such assistance given that such schemes carry with them the risk of being slapped with huge fines. The practice of free-visa offering has seemingly also been somewhat curbed by the recently implemented ‘electronic payment system’, which enables UAE authorities to check whether the sponsors are actually paying the salaries to the employees that they are sponsoring.

#### *Irregular migrants*

The exact number of irregular immigrants in the UAE is unknown due to the difficulties associated with collecting such data (Fargues et al., 2015). That the number is high, both in absolute terms and relative to the overall migrant population in the UAE, is nevertheless beyond doubt (Kathiravelu, 2016; Irudaya Rajan and Joseph, 2016). Some estimates suggest that there are currently anywhere from 2.2 million to 3 million irregular migrants in the country (Irudaya, Rajan and Joseph, 2016); however, no accurate estimate is possible. Most irregular migrants initially moved to the Emirates through the ‘free visas’ option, or via the legal *kafala* system, and thereafter transitioned into irregularity. Others entered on tourist visas, or as visitors, and then proceeded to overstay their visa (Kathiravelu, 2016; Irudaya Rajan and Joseph, 2016). Still others run from their sponsor as their income is insufficient or as work conditions become unbearable; they subsequently start to freelance as irregular migrants, thereby becoming overstayers. It is estimated that, in Dubai alone, around 25,000 migrants overstayed their residence visa in the first ten months of 2017, doubling the estimated number of overstayed visas from the previous year (Al Ramahi, 2017).

However, overstaying a visa can have serious consequences. Migrants are fined AED 125 (US\$34) on the first day they overstay a visa and AED 25 (US\$6.8) for each additional day of

overstaying (Bobker, 2017b). For a tourist or a visitor visa, the fine is AED 200 for the first day of overstay, followed by AED 100 each consecutive day.<sup>6</sup> These fines can soon become too expensive, especially for low-wage migrants. In addition, a migrant who is caught having overstayed a visa risks being arrested, detained and subsequently deported. Authorities may also issue either a temporary or a lifetime ban on their re-entering the country. Still, there are many examples of jobs being available in the informal sector. For example, some studies describe the situation of people working as unlicensed taxi drivers or private drivers (Abdi, 2015). Other scholars mention that some people will resort to selling stolen goods on the street, or they describe the dire situation of women working in the illegal sex industry (Mahdavi 2011, 2012).

Irregular domestic work is also common. It is illegal to hire domestic workers outside of the *kafala* system. Many families, however, are willing to hire undocumented domestic workers. According to our informants, it is indeed quite common to use irregular, freelancing domestic workers who work in part-time jobs. To do so does not entail any big risk, though. This is so because it is very difficult for authorities to identify such illegal workers as they are often recruited from the same ethnic community as that of their ‘employer’, which means that the services they offer may pass as informal exchanges among family friends. Many other day-to-day services – such as car cleaning, small reparations and maintenance work – are also provided within the realm of the informal economy.

Indeed, for many irregular migrants, securing prolonged residence by way of working in the informal economy – either for shorter or for longer periods – is a convenient option, in particular when such a strategy is combined with free visas, visitor visas or other, related statuses. Irregular employment may be used between, or together with, legal jobs, or it may be part of the

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<sup>6</sup> See Government.ae: <https://government.ae/en/information-and-services/visa-and-emirates-id/visa-fees-and-tracking> (last accessed August 15, 2018).

extra family income. In other words, different types of irregular work need not be a permanent state; rather, they are often associated with switches from regularity to irregularity and vice versa. Variations of the above-mentioned strategies may also be used as part of a family strategy where various combinations of regular, semi-regular and irregular strategies are used by different family members. In order to ensure prolonged residence for the spouse and the children, at least one family member has to maintain his or her employment, while others may work in irregular economy.<sup>7</sup>

### *Amnesties*

In order to avoid (the risk of) sanctions, most migrants try to prolong their status via multiple renewals of their legal sponsorship contracts or by switching between the legal or semi-legal strategies described above. Nevertheless, for some people, it proves impossible to find a new legal method after they have lost their visa. If a migrant is unable to switch to a new regular method, or if he or she faces a ban from legal employment, then overstaying by way of pursuing long-term irregularity strategies may be the only way to remain in the UAE. Or, to be more precise, *almost* the only way. That is to say, there do exist other avenues through which migrants can escape this kind of irregularity. One such avenue, and an important one, is linked to the amnesties that are sometimes offered to irregular migrants.

Regular migrants who have not renewed their employment contract, having overstayed and thus switched from regular to irregular status, may still prolong their stay working in the informal economy while waiting for the government to declare an amnesty program (Kathiravelu,

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<sup>7</sup> The above-mentioned fictive regular employments may be used when in-between regular jobs, as described by Jamal (2017). He writes, 'to maintain his residency in Dubai, an Emirati friend and previous colleague listed Muhammed as a member of his company. Although Muhammed did not receive a salary, he could maintain his work visa for himself and a residence visa for his wife and children for about seven months until he found another full-time job' (Jamal, 2017: 120).

2016). The UAE introduces amnesty programmes every few years to help decrease the number of irregular immigrants. Irregular immigrants who have previously been hesitant both to leave and to apply for a legitimate visa are eligible for amnesty; and during the amnesty period they do not have to worry that they would have to face any fees or other penalties (Shah, 2009). Neither are those taking advantage of the amnesty banned from returning to the UAE, provided, that is, that they have not committed any (other) crimes (Al Jandaly, 2012; Kannan, 2013). Being deported for irregularity can complicate the prospect of a future return, though. According to Article 28 of Federal Law No. 6, irregular residents who are caught and deported are banned from returning unless they obtain special permission from the Minister of Interior (United Arab Emirates, Ministry of Justice, 2008a). However, in reality, most are only banned for one year. The lifetime ban usually only applies to those who committed (more serious) crimes (Bobker, 2017a).

The most recent amnesty was offered between August 1 and October 31, 2018. Overstayers are allowed either to go back home without paying fines or facing jail terms and with no ban on re-entering the country, or to regularise their status by getting new visas under sponsors. Those who entered the country illegally have only one option to leave the country and accept a two-year ban to avoid the large financial penalty and jail terms.<sup>8</sup>

In sum, there are multiple regular and irregular strategies migrants can – and do – use to prolong their stay in the UAE. These strategies are summarised in Figure 3.

**Figure 3. Here**

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<sup>8</sup> See Khaleej Times, All you need to know about UAE amnesty 2018, <https://www.khaleejtimes.com/news/general/all-you-need-to-know/-about-uae-amnesty/-2018-> (last accessed August 15, 2018).



As the figure indicates, long-term residents may use various combinations of strategies that involve changes in statuses and sponsors. Furthermore, long-term residence may result from multiple renewals of work contracts, alteration between different regular statuses, combinations of regular and semi-regular strategies as well as switches from regular to irregular statuses and vice versa. Last but not least, obtaining long-term residence in the Emirates does not only require multiple renewals of migrants' temporary residence visas and various switching between statuses; it may also include the use of transnational strategies and acts of multiple re-entry to the country combined with shorter or longer stays in the home country or in third countries.

### **Conclusion**

Labour migrations to the United Arab Emirates are defined by the local authorities as temporary. However, long-term residents constitute a sizable share of the migrant stock in the country. Labour migrants in the UAE tend to make considerable investments in order to prolong their stay. This long-term temporariness, as it may be called, unquestionably produces unpredictability and insecurity for the migrants. Yet, it is also evident that for large groups of migrants, long-term temporary residence is preferred to short-term residence and a subsequent return to one's home country. This article thus implies that policymakers responsible for the development of guest-worker systems should not underestimate the push factors in the migrants' home countries – namely, their agency and the residence-prolonging strategies that they undertake, which are aimed at improving their livelihoods. As it is, the very same strategies also contribute to transforming the temporary migration system in the United Arab Emirates.

In this article, we have outlined some of the regular and irregular strategies that immigrants in the UAE employ to deal with the country's temporary migration regime. These various strategies are, by migrants, used and mixed over time as they transit among and between regularity, semi-regularity and irregularity in the course of their stay in the UAE. Some of the legal strategies – such as purchasing freehold properties and starting a business in a free zone – are only available to wealthy expatriates. Multiple renewals of visas within the legal sponsorship system, however, appear as the most common way of perpetuating legal residence and employment in the country. Residence through the establishment of small-scale businesses, which include several co-partners, is also a widespread strategy among long-term residents – and it may indeed render indefinite residence. Yet, migrants can lose their visa in the case of a lost job, bankruptcy, retirement or lost family sponsorship. Migrants in this situation may still switch to an entirely new strategy in order to stay in the UAE. To stay long-term in the country a migrant may thus need to switch between various regular statuses (such as visitor, family sponsored, student, employee, entrepreneur/business partner,) and combine both regular and irregular immigration strategies over time.

In sum: the general impression is that the situation on the ground is much more complex than it appears in the formal definitions of the temporary labour regime in the UAE. On the one hand, this article confirms the general notion that the labour migration regime in the Emirates includes a highly exclusionary naturalisation legislation, and that its focus on temporary residence and short-term sponsorship-based job contracts puts a significant strain on the migrants' lives. On the other hand, it is maintained that the system allows certain flexibility that provide several avenues to long-term residence. Recent changes in legislation also enhance the flexibility of the labour market and provide new paths to long-term residence. The large influx of migrants in the

past few decades has clearly helped the UAE to achieve its goal of rapid economic development. The most recent changes in the law – concerning foreign investors, ownership, part-time migrant workers, long-term specialists and wealthy expat retirees – may indicate that some of the authorities’ goals are shifting; a premium seems to be placed on the development and strengthening of the knowledge economy, the service sector and property investments – areas where specialists, experts and foreign capital are in high demand. However, the introduction of such policies does not imply that studying the temporariness and duration of residence is no longer relevant. Vitaly, the changes do not as yet provide permanent residence to the above-mentioned categories of migrants. Furthermore, there will still be a large majority of temporary labour migrants on relatively short-term contracts who will be engaged in a variety of resident-prolonging strategies. Therefore, a more nuanced notion of the temporary migration regime in the UAE is still required, one that should include migrants’ agency and a distinction between short- and long-term temporariness.

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Field Code Changed

#### Figure 1. Migrations to the UAE, top sending countries (1960-2017)<sup>9</sup>

<sup>9</sup> Source: own compilation, based on UN' data base. Data from 1960 to 1980 are calculations based on estimates extracted from the World Bank's Global Bilateral Migration Database 1960–2000; data from 1990 to 2017 are calculations based on estimates by the UN, Department of Economic and Social Affairs, Population Division; comparisons between the World Bank and the UN data should be made with caution, as estimation techniques differ.

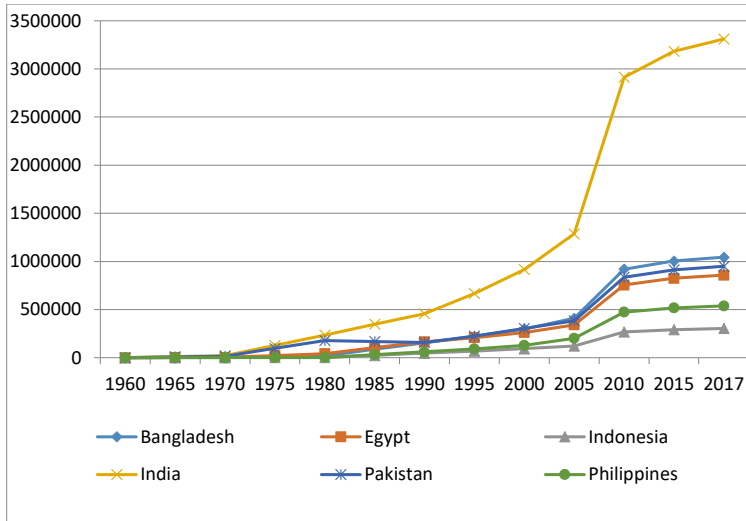
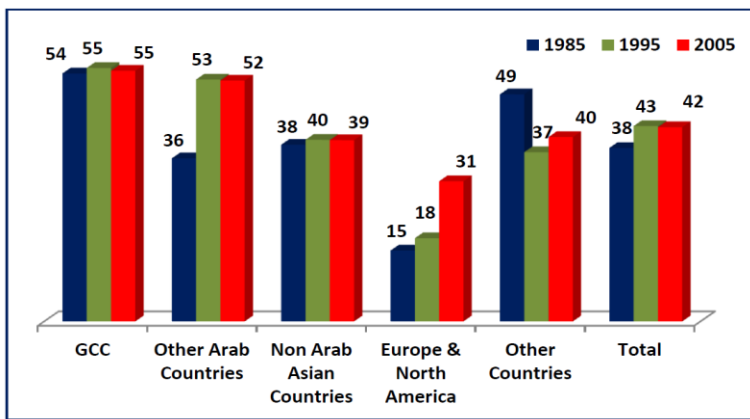


Figure 2. Percentage of immigrants who stayed in the UAE for over six years, by region of origin



Source: UAE census data.

Figure 3. Strategies used to prolong residence in the UAE

