



Abolition of “Kefala” and Proposed Qatar Labor Law Reform

Qatar recently unveiled its plan to abolish the prevailing Kefala (sponsorship system) and to amend its Labor Law to address some of the issues concerning the rights of migrant workers. The proposed amendments will still pass through a series of consultations with the internal and external stakeholders, with the Qatar Chamber of Commerce, Council of Ministers and then to the government for its consideration and approval. This means it will still go through the usual legislation process before it will be referred back to the government for final approval. There is no timeline as to when it will be ratified and implemented.

The following are the salient features of the proposed amendments:

1. The Kefala system will be replaced with a system based on employment contracts;
2. The exit permit system which requires the consent of the employers before an employee leaves the country will be replaced by an automated system called the “Matarash 2” e-government system through the Ministry of Interior which will automatically grant an exit permit to an employee after 72-hour grace period prior to departure;
3. The No Objection Certificate (NOC) which currently regulates the transfer of employees to different employers will be replaced with an employment contract system. The transfer to different employer can be effected after the completion of the contract for employment contracts with definite period and after five (5) years to employment contracts with indefinite duration;
4. The two (2)-year ban to seek employment in Qatar after cancellation of working visa will be abolished. Thus, employees can return to Qatar provided they have the working visa and employment contract from their new employers;
5. The penalty of confiscation of passport is raised from QR10,000 to QR50,000; and
6. Proposal to reform the Labor Law to further improve the living and working conditions of workers, with the following measures to be implemented:
 - Requiring the payment of wages electronically to ensure transparency, monitoring and timely payment
 - Adoption of a unified accommodation standard to guarantee the quality of housing for the workers
 - Enhancing enforcement of labor law by strengthening the penalty codes for labor law violations including late payment of wages and violation of the new accommodation standards
 - Increasing the number of labor law inspectors to 300. They will be given the power to issue penalties for violations related to workers’ accommodation, work sites and occupational health and safety.

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