



# INVOLUNTARY LOSS OF EMPLOYMENT INSURANCE (ILOE) IN UAE





# WHAT IS ILOE AND HOW TO SUBSCRIBE?

The subscription to ILOE insurance scheme started on January 1, 2023 and it aims to protect employees by offering them a maximum 3-month cash compensation as long as they did not resign or were dismissed for disciplinary reasons.

## Subscription fee & cash compensation

### First Category

Basic Salary of AED 16,000 or less

**The insurance cost:**  
AED 5 per month

**Monthly compensation will reach up to AED 10,000**

### Second Category

Basic Salary exceeding AED 16,000

**The insurance cost:**  
AED 10 per month

**Monthly compensation will reach up to AED 20,000**

## The conditions to be compensated

- If you are subscribed to the insurance scheme for at least 12 consecutive months
- If you have not been dismissed from work for disciplinary reasons or resignation
- Those excluded from the insurance scheme are investors, domestic workers, employees with temporary employment contract, juveniles under 18 and retirees who receive a retirement pension and have joined a new job

## Subscription channels

- Insurance pool website ([www.iloe.ae](http://www.iloe.ae))
- The smart application of the insurance pool
- Exchange Houses
- Kiosk Machine

**UAE nationals and residents working in private sector or federal government are eligible for the insurance**

**No Costs or fees are required from the employers**



## What are the fines and penalties for non-participation in ILOE insurance?

According to the Ministerial Resolution No. 604 of 2022 concerning Unemployment Insurance Scheme, there are two types of fines and penalties for not subscribing or complying with the policy. Subscribing to unemployment insurance has a grace period, after which fines will be imposed for those who fail to do so.

**A fine of 400 AED for non-enrollment in the scheme.**

**A fine of 200 AED for non-compliance with regular installment payments.**

Fines can be deducted from the employer's salary or End of Service benefits in case of delay of payment for more than 3 months, plus the block of any new work permits and labor card renewals.

## HOW BAM ADVISORS CAN ASSIST IN SUBSCRIBING INSURANCE

BAM can guide you with essential details to support in subscribing the insurance. Since ILOE insurance is mandatory for employees, we are here to ensure that all the required information is available for you. Contact us to learn more about ILOE insurance in UAE.



### Contact Us

To discuss how we can support your business, please reach out to us

**Bazaar Accounting & Management Advisors LLC**

Office # 1403, Floor # 14, Al Moosa Tower 1, Sheikh Zayed Road, Dubai, UAE.

T: +971 4 234 2722

E: [info@bazaaraccounting.com](mailto:info@bazaaraccounting.com)

W: [www.bazaaraccounting.com](http://www.bazaaraccounting.com)