



Wages Protection System (WPS) In the UAE



Whitepaper



All you need to know about WPS

Setting up a business in Abu Dhabi, Dubai or the wider UAE can be quite demanding. It is vital that you fulfill all legal requirements, especially when it comes to your company's most valuable resource – your employees.

What is Wages Protection System (WPS)?

Wage Protection System (WPS) is an electronic salary transfer system that was approved by the UAE Government in 2009, allowing institutions to pay the wages of their workers via banks, bureaux de exchange, and financial institutions. UAE businesses must adhere to timely wage payments that match the initial offer letter and local labor contract. For all companies that have staff in the UAE, it is a mandatory legal requirement to register and pay staff through WPS.

WPS targets the following parties:



Workers

Each and every individual who works in the private sector in return for agreed-upon wages and who has a labor card issued by the Ministry.



Employers

Whoever owns a company or an institution registered under the Ministry and hires one (or more) workers in return for agreed-upon wages.



Banks

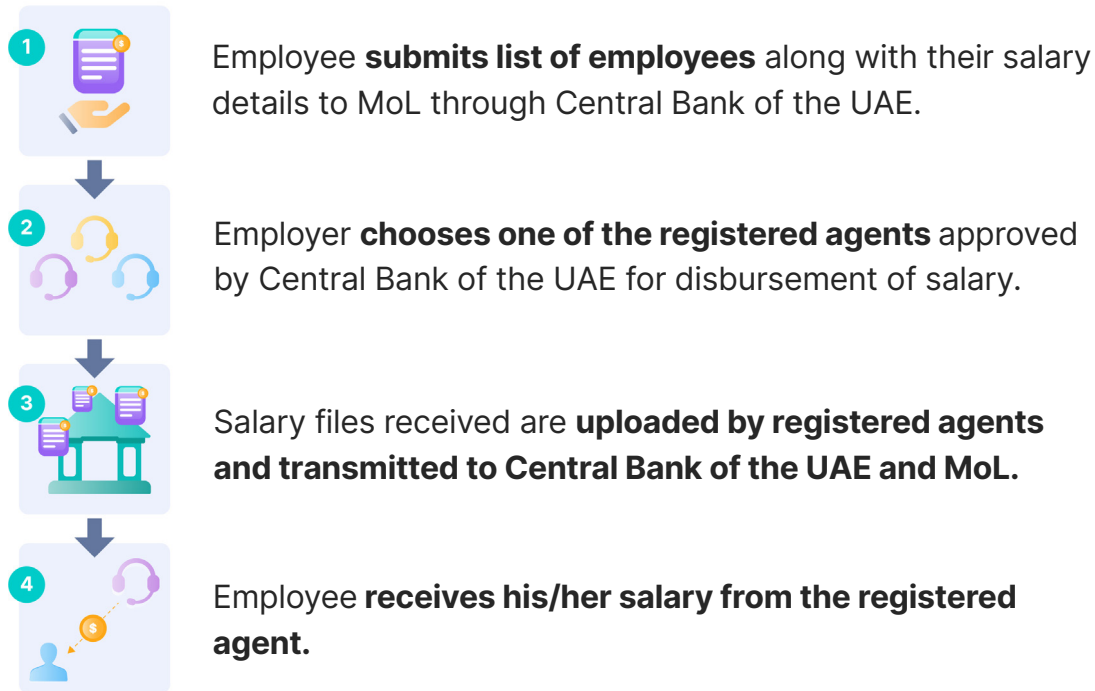
The financial institution which the employer has a bank account with, which is used to transfer the wages through WPS to the appointed agent to distribute to the workers.



Agents

Any bank, bureau de change, or financial institution approved and authorized by the Central Bank of the UAE to offer wages payment services via WPS. The Central Bank of the UAE will issue a regularly updated list showing the names of approved and authorized agents.

Steps to Joining WPS



Consequences of failing to join or adhere to WPS

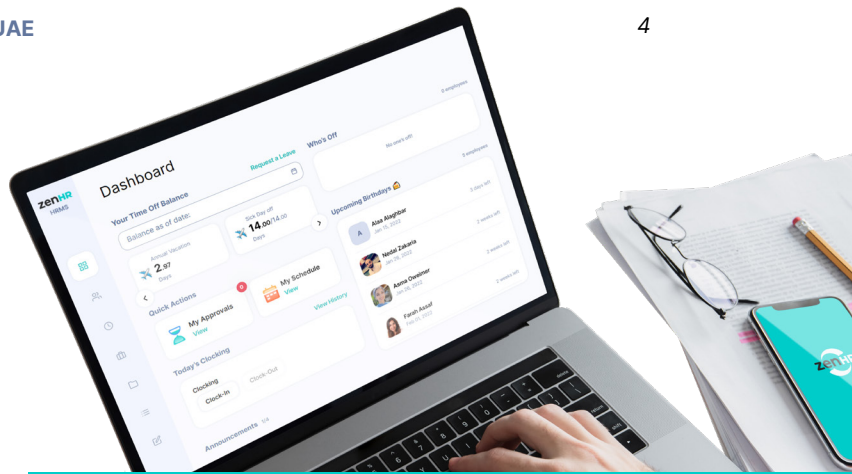


Companies that do not enroll in the WPS or do not transfer the wages on time are not allowed to renew work permits until all outstanding payments have been proven as settled. If a company's delayed payment exceeds one month, their right to renew their work permits will be cancelled.

How does ZenHR HRMS facilitate the process of implementing WPS?

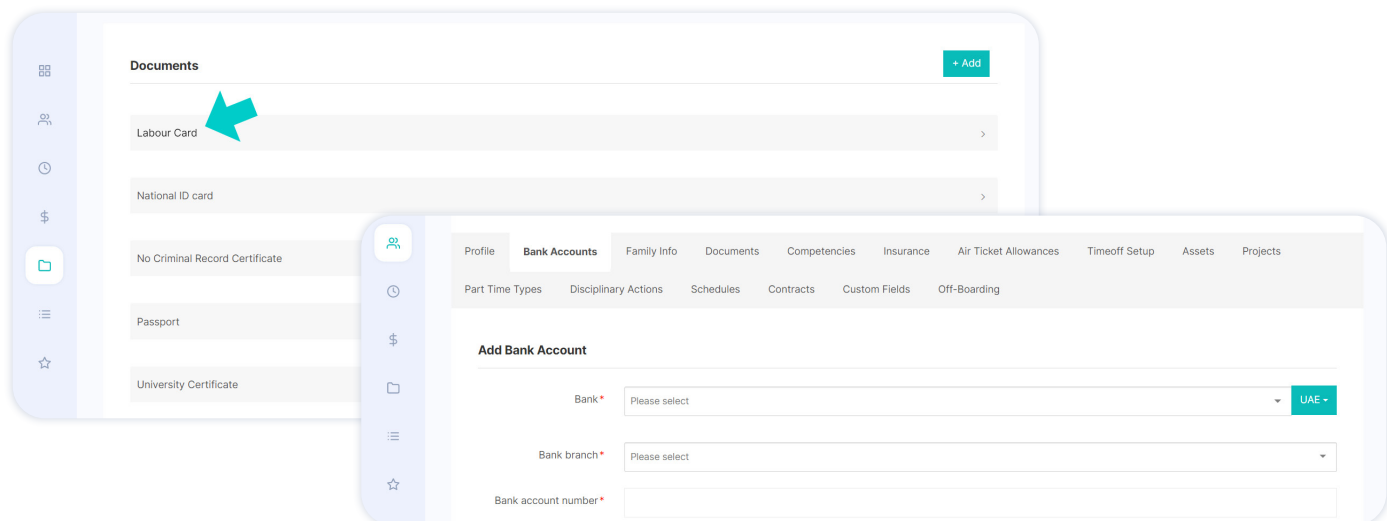
ZenHR HRMS is a cloud-based Human Resources Management System designed to serve everyone from SME to Enterprise customers in the MENA market. ZenHR is completely localized to the MENA market, including all labor laws, expat regulations, and social security & tax laws.

How can you export WPS files from ZenHR?



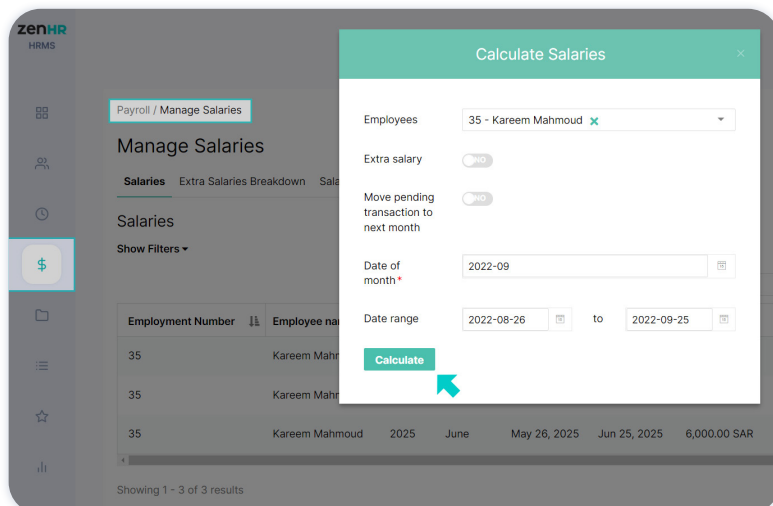
1

First and foremost, employers or HR personnel should make sure that all their employees' labor cards and bank account numbers are added to their profiles on ZenHR, as shown in the Screenshot below.



2

After that, ZenHR HRMS will automatically calculate the accurate salary of your selected employee.



3

Finally, go to WPS report from the main menu, select the company bank account that you want to transfer your salaries from, select the salary month, and then click export to save the file in “SIF” format on your desktop.

The screenshot shows the 'WPS Export Report' form. It features a sidebar with navigation icons and a main content area with various filters. The filters include dropdown menus for Bank Account, Bank Export, Work location, Department, Section, Main project, Hierarchy group, Work type, Position, and Date of month. There is also a checkbox for 'Only associated with bank account'. A 'View' button is located in the top right corner of the form.

4

And this is your final WPS File

The screenshot shows a Notepad window titled '0012341234123180520110000.sif - Notepad'. The window contains the following text:

```
File Edit Format View Help
EDR,00000896576456,000910101,DE89370400440532013000,2018-05-01,2018-05-31,31,25000.00,0.00,0
EDR,00000009987554,104251001,DE89370400440532013000,2018-05-01,2018-05-31,31,50000.00,0.00,0
EDR,00000009998877,802420101,AE070331234567890123456,2018-05-01,2018-05-31,31,10300.00,592.60,0
SCR,0012341234123,802420101,2018-05-20,1100,052018,3,85892.60,AED,Salary of May 2018|
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power to transform HR

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